



Policy Name	Conflict of Interest and Loyalty Policy
Policy Reference	P-001
Approved by	Board of Directors
Version	2.0
Date of Approval	November 2022
Next Review Date	November 2025

### **Background to the Organisation**

The Irish Emergency Alliance (IEA) is a membership organisation, made up of seven Irish registered charities working on international humanitarian emergency relief. Our members are ActionAid, Christian Aid, Plan International, Self Help Africa, Tearfund, Trócaire and World Vision. These members have programmes in a total of 85 different countries across the globe giving the IEA a very significant presence to respond quickly to an emergency. At the time of major humanitarian emergencies, IEA members come together to raise money from the Irish public in a coordinated manner.

The IEA is a joint appeals mechanism where Irish humanitarian organisations agree to consolidate our fundraising efforts, demonstrating to the public that we can work together and reduce our administrative and fundraising costs. As humanitarian organisations, our overriding mandate is to save lives and alleviate suffering of the most vulnerable and impoverished people on our planet.

### **Purpose of the Policy**

The purpose of this policy is to assist charity trustees of the Irish Emergency Alliance Company Limited by Guarantee ("the Company") to effectively identify, record and manage any conflicts of interest in order to protect the integrity of the Company and to ensure that the charity trustees act in the best interest of their charity.

### **Scope of the Policy**

This policy applies to the trustees of the IEA, its board sub-committees and staff as well as all third-party consultants, contractors, service providers and volunteers.

All IEA member agencies are expected to have a board approved Conflict of Interest and Loyalty Policy in place as well as procedures for declaring and managing any identified conflicts of interest and loyalties.

## **Policy Statement**

The Company board (called the 'board of charity trustees' in this policy) aims to ensure that the charity trustees are aware of their obligations to disclose any conflicts of interest or loyalty that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest or loyalty as representatives of the Company.

## **Definition of conflicts of interests and loyalty**

### *Conflict of interest*

A conflict of interest arises when a charity trustee's private interests compete with their professional duties. A conflict of interest may arise, for example, if a trustee influences the awarding of a contract to a company owned by a family member. It is legal to award a contract to the best qualified company, even if that company is owned by a relative, but that trustee could not be part of the decision-making process. This would be a conflict of interest, because their own family would benefit financially from his/her position. A conflict of interest can also happen in relation to connections the trustee might have that are unrelated to family connections, but to do with others with whom he/she may have a business connection.

A conflict of interest arises, may arise or can appear to arise where someone's personal, financial, business, political or family interest(s) and/or loyalty conflicts with the interests of the IEA. The Board understands that conflicts of interest can and do arise from time to time. The problem is not that conflicts arise but more so that they are not declared and managed appropriately.

Not declaring interests could give rise to suspicion of improper motives even where none exist. The importance of transparency of judgements and transactions is paramount. To help decide whether you have a conflict of interest, imagine you are explaining your actions and how it would appear to an external third party. Even the appearance of a conflict of interest has the potential to damage the IEA's reputation and to adversely affect the partner organisations with whom we work.

If in doubt, declare.

### *Conflict of loyalty*

A conflict of loyalty is where a trustee may be involved in Board decisions and may be (or perceived to be) potentially influenced by considerations other than the best interests of the organisation. This might happen when the trustee has come onto the Board as a nominee of a particular group e.g. CEOs of a member agency, a funding body, beneficiaries, or staff. This situation may possibly cause the trustee to think that they should act in the interests of the grouping that nominated them. However, in all cases, regardless of how they got onto the Board of directors, all trustees should act in the interests solely of the IEA rather than acting in the interests of the grouping that nominated them. Conflicts of loyalty may be sufficiently serious to amount to conflicts of interest.

## **Management of Conflicts of Interest and/or Loyalties**

This policy has been developed because conflicts of interest and loyalty commonly arise, and do not need to present a problem to the charity if they are openly and effectively managed. It is the policy of the IEA as well as a responsibility of its charity trustees, that conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with their obligations to the IEA. Members must declare any interest or loyalty, which might affect, or might reasonably be thought to affect, impartial judgement.

The IEA will manage conflicts of interest by requiring charity trustees to:

- avoid conflicts of interest where possible;
- identify and declare any conflicts of interest (see Appendix 1);
- carefully manage any conflicts of interest; and
- follow this policy and respond to any breaches.

### *Responsibility of the board of charity trustees*

The board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the charity;
- monitoring compliance with this policy; and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

The charity trustees should ensure they are aware of their legal obligations in the management and control of their charity and should refer to the Charities Regulator's 'Guidance for Charity Trustees'.

### *Identification and disclosure of conflicts of interest*

Once an actual, potential, or perceived conflict of interest is identified, it must be entered into the Company's register of interests, as well as being raised with the board of charity trustees. The register of interests must be maintained by the Company Secretary, and record all information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

## **Action required for management of conflicts of interest**

### *Conflicts of interest of members of the board of charity trustees*

Once the conflict of interest has been appropriately disclosed, the board of charity trustees (excluding the disclosing charity trustee and any other conflicted person) must decide whether or not a conflicted charity trustee should:

- vote on the matter (this is a minimum),
- participate in any debate, or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a charity trustee from regularly participating in discussions, it may be worth the board of charity trustees considering whether it is appropriate for the person with the relevant conflict to resign from the board of charity trustees.

*What should be considered when deciding what action to take*

In deciding what approach to take, the board of charity trustees will consider whether the conflict needs to be avoided or simply documented

- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict
- the charity's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the charity.

The approval of any action requires the agreement of at least a majority of the board of charity trustees (excluding any conflicted charity trustee) who are present and voting (if applicable) at the meeting. All details regarding the conflict of interest, including the action arising, will be recorded in the minutes of the meeting.

**Compliance with this policy**

If the board of charity trustees has a reason to believe that a person subject to this policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the board of charity trustees may take action against the person. This may include seeking the person's resignation from the charity.

If a person suspects that a charity trustee has failed to disclose a conflict of interest, they must notify the Chairperson and / or Company Secretary as soon as is practicable.

**Contacts**

For questions about this policy, contact the board of charity trustees or the Company Secretary.

**Appendix 1: Conflict of Interest and Loyalty Disclosure Form**



Name:	
Position:	

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest or loyalty between Irish Emergency Alliance CLG and your personal interests, financial or otherwise.

Please tick:

<input type="checkbox"/>	I have no conflict of interest or loyalty to report
<input type="checkbox"/>	I have the following <b>Conflict of Interest</b> to report
<input type="checkbox"/>	I have the following <b>Conflict of Loyalty</b> to report

*Describe potential conflict details:*

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I hereby certify that the information set forth above is true and complete to the best of my knowledge (having made reasonable enquiries).

I have reviewed, and agree to abide by, the Irish Emergency Alliance CLG Conflict of Interest and Loyalty Policy.

Signed:	
Date:	