Conflict of Interest Policy

 **Directors' Interests**

Under the provisions of the Companies Act 2006, as a director of Lancashire Enterprise Partnership Limited ("the company"), there are two different types of conflict of interest that you will need to declare to the company:

**Situational Conflicts**

Upon accepting your appointment as a director, you should inform the Company Secretary of anything, or any connection you have, which could potentially divert your mind from giving sole consideration to promoting the success of the company.

Although there is nothing to prohibit you from holding multiple directorships or even from engaging in business that competes with Lancashire Enterprise Partnership Limited, any situation where there is a degree of tension must be declared.

For example, as a director of the company it is your duty to act in the sole interest of the company. However, if you have been nominated by another organisation, a tension may arise out of any actual or perceived duty to act in the best interests of that organisation as opposed to the company itself.

Once any potential interests have been declared, they will be put to the other directors, who have the power to authorise them.

You have an ongoing duty to update the Company Secretary of any changes to your situational interests.

**Transactional conflicts**

A transactional conflict arises where as a director, you or a 'connected person' (for example a family member), has an interest in a proposed or existing transaction or arrangement with the company.

If you realise that you are in any way, directly or indirectly interested in a proposed transaction or arrangement with the company, you must declare the nature and extent of that interest to the other directors. This should be done via the Company Secretary. Any such declarations should be made as soon as practicable, ideally before or at the start of any Board meeting at which the item is to be considered.

If you have made such a declaration, the default position is for you not to be counted as participating in the decision-making process for quorum or voting purposes during consideration of the matter. However Lancashire Enterprise Partnership Limited's Articles of Association do enable the remaining, non-interested directors to, if they see fit, authorise any such conflicts and in these instances they may agree for you to take part.

Please note that specific provisions relating to directors' interests are set out in clauses 13.7 to 13.13 of the company's Articles of Association.

**If you require any further information or advice, please do not hesitate to contact:**

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