Management of Conflicts of Interest Policy

Version control

v0.1	06.01.18	Initial draft	S. Jones
v1.0	18.01.18	Approved at Trustees meeting 18 January 2018	S. Jones
v1.1	10.09.20	Approved at Trustees meeting 20 September 2020	S. Tatton-Brown
v.1.1	17.05.21	Re-affirmed at Trustees meeting 17 May 2021	S. Tatton-Brown
v.1.2	08.09.22	Insertion of requirement for a Declaration of any Conflict of Interest be at head of agenda of every Trustees meeting	S. Tatton-Brown
v.1.2	21.09.23	Policy reaffirmed by Trustees with no changes made.	S. Tatton-Brown
	25.07.24	Policy reaffirmed by Trustees with no changes made.	S. Tatton-Brown
	26.06.25	Policy reaffirmed by Trustees with no changes made.	S. Tatton-Brown
V2.0	25.06.26	Revised in light of latest Charity Commission guidance published 22.04.2026	N Wells

Next date for review: June 2027

Introduction

Trustees have a legal duty to act only in their charity's best interests when making decisions.

A conflict of interest is when what is in the charity's best interests conflicts with, or may conflict with a Trustee's personal interests, or the interests of people or organisations connected to a Trustee.

Conflicts of interest are common in charities – having a conflict of interest doesn't mean any wrongdoing has occurred, but trustees need to know when conflicts may occur, identify when they do occur and manage them properly each time they occur.

There are two types of conflicts of interest:

- A financial conflict
- A loyalty conflict

A financial conflict happens when a trustee, or a person or organisation connected to them could get money – or something else of value such as a service – from a decision that trustees make.

A loyalty conflict happens when the charity's decision involves a person or organisation connected to a trustee, for example, a partner, immediate family and wider relatives, a trustee's employer, another charity for which they are a trustee, the organisation that appointed them as a trustee, or a trustee's friends.

The trust deed does not provide any specific instructions on managing conflict of interest but attention is drawn to Standing Order paragraph (3).

Legal requirement: a trustee must declare a conflict of interest immediately they are aware of any possibility that their personal or wider interests could influence their decision-making.

A five-step approach to managing potential conflicts of interests is recommended by the Charity Commission: identify the conflicts, declare conflicts, consider removing conflicts, managing conflicts, and record conflicts.

Step One - Identify the conflict

Identify conflicts, or potential conflicts early. The Secretary shall ensure that an item 'Declaration of any Conflict of Interest' be placed at the start of every meeting of the Trustees.

New trustees will be asked to declare any potential conflicts of interest before appointment.

Step Two - Declare conflicts of interest

A trustee must tell other trustees if something your charity is proposing raises a financial or loyalty conflict for them. Do this early, before discussions about the matter or decisions being made.

Declared conflicts should be recorded in the minutes of the meeting, together with the underlying reason.

Step Three - Consider removing the conflict of interest

Trustees must not allow a conflict to affect decisions and must consider whether it is in the charity's best interests to remove the conflict. Trustees may be able to remove the conflict by not going ahead with the proposal or, the trustee with the conflict resigning and then the remaining trustees making the decision.

Step Four - Managing conflicts of interest

If trustees decide not to remove the conflict, they must manage it so that it does not affect decisions.

As a minimum, for a financial conflict, the trustee affected by the conflict should declare the conflict, leave the relevant discussion, not take part in the decision giving rise to the conflict, and not be counted in the quorum.

A similar approach should be adopted for loyalty conflicts, unless they are low risk, where the trustee may remain in the meeting on condition they do not take part in the decision or voting.

Step Five - Recording conflicts of interest

A written record of the conflict of interest and how it was dealt with should be made in the minutes of the relevant trustees' meetings and/or summarised in a separate document. The following points should be covered:

- what the conflict was
- who or what it affected
- when it was declared
- how you managed it
- which rules you followed, for example, this policy

References

Charity Commission Guidance: Identifying and managing conflicts of interest in a charity (CC29 updated 22.04.26) accessed via https://www.gov.uk/government/publications/identifying-and-managing-conflicts-of-interest-in-a-charity-cc29/conflicts-of-interest-a-guide-for-charity-trustees (date of access 11.06.2026)

Charity Commission Guidance: Charity's paying a trustee or a connected person (CC11): understand the rules accessed via https://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11/trustee-expenses-and-payments#paying-trustees-for-services (date of access 11.06.2026)