

Conflicts of Interest Policy

Document Control

Policy Title	Conflicts of Interest Policy
Document Reference Number	ORG/GOV/001
Version Number	1.0
Effective Date	
Review Date	

1.0 Purpose and Legal Basis

The effective management of conflicts of interest is a fundamental duty of charity trustees. It is essential for maintaining public trust, protecting the charity's reputation, and ensuring its resources are used solely to advance its charitable objects. This policy establishes a clear and consistent framework for all trustees, staff, volunteers, and associated individuals to identify, declare, and manage any conflicts that may arise, thereby safeguarding the integrity of the charity's governance and operations.

This policy is grounded in the following constitutional and legal foundations:

- **Constitutional Mandate:** The policy provides the operational framework to ensure compliance with Clause 7 ("Conflicts of interest and conflicts of loyalty") and Clause 6 ("Benefits and payments to charity trustees and connected persons") of the charity's Constitution.
- **Legal Duty of Trustees:** The policy supports trustees in fulfilling their legal duties under the Charities Act 2011 to act only in the best interests of the charity, a duty that is also enshrined in Clause 9 of the Constitution.

- **Regulatory Guidance:** The procedures and principles herein are informed by best practice as set out in the Charity Commission's core guidance, specifically "Conflicts of interest: a guide for charity trustees (CC29)".

This policy defines who is covered by these rules to ensure comprehensive application across the charity's operations.

2.0 Scope

A clearly defined scope is a strategic necessity to ensure this policy is applied consistently to all individuals in a position to influence the charity's decisions, thereby safeguarding the integrity of its governance and operations. This consistent application prevents ambiguity and ensures that all decision-making is impartial and aligned with the charity's best interests.

This policy applies to all of the following individuals and groups associated with the charity:

- Trustees and board members
- Staff and employees (if any are appointed in the future, as permitted by Clause 4(4) of the Constitution)
- Volunteers
- Contractors and external service providers
- Members of any committees established by the board under Clause 14 of the Constitution

The following statement articulates the charity's official and non-negotiable position on managing conflicts of interest.

3.0 Policy Statement

This policy statement constitutes the Board of Trustees' official and public commitment to upholding the highest principles of integrity, transparency, and accountability in all its activities.

The charity is absolutely committed to ensuring that all decisions are made based solely on the best interests of the charity and its beneficiaries. All individuals covered by the scope of this policy have a personal and collective responsibility to act with integrity, to identify and declare any potential, perceived, or actual conflicts of interest, and to manage them effectively according to the procedures mandated in this document. This commitment directly supports the charity's core objects as stated in Clause 3 of the Constitution: to deliver education, research, and support to the beneficiary Community.

To ensure consistent implementation of this statement, the following section provides binding definitions for key terms.

4.0 Definitions

Clear, unambiguous definitions are critical to the effective and consistent application of this policy. They ensure all parties have a shared and binding understanding of the key terms used throughout this document, which is essential for identifying and managing potential conflicts correctly.

Term	Definition
Connected Person	<p>In this constitution, "connected person" means:</p> <ul style="list-style-type: none">(a) a child, parent, grandchild, grandparent, brother or sister of the charity trustee;(b) the spouse or civil partner of the charity trustee or of any person falling within sub-clause (a) above;(c) a person carrying on business in partnership with the charity trustee or with any person falling within subclause (a) or (b) above;(d) an institution which is controlled<ul style="list-style-type: none">(i) by the charity trustee or any connected person falling within sub-clause (a), (b), or (c) above; or(ii) by two or more persons falling within sub-clause (d) (i), when taken together(e) a body corporate in which<ul style="list-style-type: none">(i) the charity trustee or any connected person falling within sub-clauses (a) to (c) has a substantial interest; or(ii) two or more persons falling within sub-clause (e)(i) who, when taken together, have a substantial interest. <p>Section 118 of the Charities Act 2011 applies for the purposes of interpreting the terms used in this constitution.</p>

The following section details the mandatory procedures required to manage these defined conflicts.

5.0 Procedures

This section provides the core operational guidance for the policy. These step-by-step procedures are mandatory and are designed to translate the policy statement into consistent, transparent, and compliant action by all individuals covered by its scope.

1. **Duty to Declare Interests:** All individuals covered by this policy, and particularly trustees, have a duty under Clause 7(1) of the Constitution to declare any interests

that may conflict with their duties to the charity. Trustees must declare any potential conflicts upon their appointment and formally re-declare them annually. Furthermore, a specific declaration must be made at the beginning of any meeting if an interest exists in a proposed transaction or agenda item that has not previously been declared. All declarations must be formally recorded in the minutes of the meeting, as required by Clause 24 of the Constitution.

2. **Register of Interests:** The charity shall create and maintain a formal Register of Interests for all trustees. This register will document all declared interests, providing a clear and accessible record for governance purposes. The register will be securely maintained by the Secretary (or another officer designated by the Board) and will be formally reviewed by the full Board of Trustees at least annually to ensure it remains accurate and up-to-date.
3. **Managing a Declared Conflict of Interest:** When a trustee has declared a conflict of interest regarding a matter being discussed, the standard procedure for managing it, as mandated by Clause 7(2) of the Constitution, is as follows. The trustee with the conflict must:
 1. Do not participate in the discussion of the matter.
 2. Physically or virtually leave the part of the meeting where the item is being discussed and decided upon.
 3. Do not vote on the matter.
 4. Not be counted in the quorum for that part of the meeting, as stipulated in Clause 15(3)(a) of the Constitution.
4. **Managing Trustee Benefits and Payments:** Any proposal for a trustee or a connected person to receive a payment or benefit from the charity (beyond the reimbursement of reasonable expenses) represents a significant conflict of interest. Before approving any such transaction, the Board must rigorously apply the controls specified in Clauses 6(2) and 6(3) of the Constitution and be satisfied that the following conditions are met:
 1. A written agreement is in place detailing the amount or maximum amount of any payment.
 2. The payment does not exceed what is reasonable in the circumstances for the goods or services provided.
 3. The non-conflicted trustees are satisfied that the arrangement is in the best interests of the charity.
 4. The conflicted trustee is absent from any discussion or vote on the matter.
 5. The reason for the decision is formally recorded in the minutes.
5. **Managing Previously Undisclosed Conflicts:** The following procedure shall apply where a conflict of interest is identified after a decision has been made:
 1. The discovery of the previously undisclosed conflict must be immediately reported to the Chair of the Board.
 2. The Board must convene to formally review the original decision, assessing whether the conflict may have improperly influenced the outcome.
 3. Following the review, the Board will decide on any necessary corrective action. This may include, but is not limited to, ratifying the original decision

(if appropriate), or nullifying the decision and reconsidering the matter entirely.

4. The entire process—including the nature of the conflict, the review, and the final resolution—must be fully documented in the minutes of the meeting.

The following section defines who holds responsibility for implementing these procedures.

6.0 Roles and Responsibilities

The effective and accountable implementation of this policy relies on a clear understanding of specific responsibilities. While the duty to manage conflicts of interest is shared, certain roles carry specific obligations to ensure the procedures are followed correctly.

- **All Trustees and Covered Individuals**
 - Have a personal responsibility to identify, declare, and manage any potential, perceived, or actual conflicts of interest in line with this policy.
- **The Board of Trustees (Collectively)**
 - Holds ultimate accountability for the charity's compliance with conflict of interest legislation and its own policy.
 - Is responsible for formally reviewing the Register of Interests at least annually to ensure it is accurate and up-to-date.
 - Must apply the rigorous controls detailed in this policy before authorising any payment or benefit to a trustee or connected person.
 - It is responsible for reviewing and resolving any previously undisclosed conflicts of interest that are brought to its attention.
- **The Chair of the Board**
 - Acts as the designated point of contact to receive reports of any previously undisclosed conflicts of interest.
- **The Secretary / Designated Officer**
 - Is responsible for creating and securely maintaining the formal Register of Interests for all trustees.
 - Must ensure that all declarations of interest made at meetings are accurately recorded in the minutes.

A formal plan will ensure this policy is properly embedded within the organisation.

7.0 Implementation

A formal implementation plan is necessary to ensure this policy is a lived practice that underpins the charity's commitment to good governance, rather than merely a static document.

- **Adoption:** This policy (Version 2.0) is effective immediately upon its formal adoption by a resolution of the Board of Trustees.

- **Communication:** Following adoption, this policy will be circulated to all individuals identified within its scope to ensure they are fully aware of their obligations.
- **Training:** All existing and new trustees will receive a copy of this policy and a briefing on their responsibilities. This will form a mandatory part of the induction pack for new trustees, consistent with the requirements of Clause 11 of the Constitution.

The effectiveness of the policy will be monitored through the following mechanisms.

8.0 Monitoring

Ongoing monitoring is essential to ensure that this policy remains effective, compliant with legislative changes, and fit for purpose as the charity evolves. The Board of Trustees will oversee its implementation through the following mechanisms:

- **Annual Review:** The Board of Trustees will formally review this policy on an annual basis to ensure its continued relevance and effectiveness.
- **Register of Interests Review:** The Register of Interests will be formally presented to the Board for review and update on an annual basis to ensure all information is current.
- **Reporting:** The minutes of Board meetings will serve as the primary record of how conflicts of interest are declared and managed in practice, providing a continuous audit trail of compliance.
- **Compliance Breaches:** Any breach of this policy must be reported to the Chair and will be considered by the Board. Serious breaches may be considered a violation of a trustee's duties and could be addressed under the provisions for removal of a trustee in Clause 12 of the Constitution.

This policy forms part of an integrated suite of governance documents.

9.0 Related Policies and Documents

This policy does not exist in isolation but forms part of a wider, integrated framework of governance and compliance for the charity. It must be read in conjunction with the following key documents:

- **The charity's Constitution:** This policy is subordinate to and directly implements the provisions of the Constitution. It gives operational effect to specific clauses, including Clause 6 (Benefits and payments), Clause 7 (Conflicts of interest), Clause 9 (Duties of charity trustees), and Clause 30 (Definition of connected person).
- **Trustee Payment Policy (ORG/FIN/001):** This related policy provides detailed procedures for any payments made to trustees for goods or services, which are a specific and significant type of potential conflict of interest.

- **Internal Financial Controls Policy (ORG/FIN/004):** This policy is linked, as unmanaged conflicts of interest can pose a significant risk to the charity's financial assets and integrity.
- **Trustee Code of Conduct (ORG/GOV/008):** This policy is a practical application of the broader principles of conduct, integrity, and accountability expected of all trustees.