

1. Preliminary

- 1.1 All of the directors of the Charity are all of its charity trustees. 'Trustee' in this policy refers to each and every director/charity trustee of the Charity. This policy applies to all Trustees and staff.
- 1.2 All Trustees and staff of the Charity must make every effort to avoid any conflict of interest between the interests of the Charity on the one hand, and personal, professional, and business interests on the other. This includes avoiding an actual conflict of interest as well as any appearance of a conflict of interest.
- 1.3 The purpose of this policy is to protect the integrity of the Charity's decision-making process, to enable outside parties to have confidence in the Charity's integrity, and to protect the integrity and reputation of the Trustees and the Charity and its' staff.

2. Legal Obligations

- 2.1 A Trustee has a personal legal obligation to act in the best interests of the Charity, and in accordance with the Charity's Articles of Association (its constitution), and to avoid situations where there may be a potential conflict of interest. Staff have similar obligations.
- 2.2 The Charity's Articles of Association include the following provisions:
 - 5.1 *A Trustees:*
 - 5.1.1 *is entitled to be reimbursed reasonable out-of-pocket expenses properly incurred when acting on behalf of the Charity;*
 - 5.1.2 *may benefit from trustee indemnity insurance purchased by the Charity in accordance with section 189 of the Charities Act;*
 - 5.1.3 *may receive payment under an indemnity from the Charity in the circumstances set out in Article 35;*
 - 5.1.4 *may not receive any other benefit or payment from the Charity unless it is authorised by this Article 5.*
 - 5.2 *Unless the benefit or payment is permitted under Article 5.3, no Trustee (including a Member who is also a Trustee) or Connected Person may:*
 - 5.2.1 *buy any goods or services from the Charity on terms preferential to those applicable to members of the public;*
 - 5.2.2 *sell goods, services, or any interest in land to the Charity;*
 - 5.2.3 *be employed by, or receive any remuneration from, the Charity; or*
 - 5.2.4 *receive any other financial benefit from the Charity.*

3. Conflicts of Interest

- 3.1 A conflict of interest is any situation in which a Trustee's business or personal interests (or those of a person "connected to" a Trustee), or loyalty that they

owe to another organisation or person, may (or may appear to) influence or affect the Trustee's decision making.

- 3.2 A person "connected to" a Trustee may be a relative (child, parent, grandchild, grandparent, brother, sister, spouse or civil partner of the Trustee or any person living with the Trustee as his/her partner, or a business partner of the Trustee, or an institution controlled by either the Trustee or a person connected with the Trustee).
- 3.3 Examples of conflicts of interest include the case of a Trustee who:
 - 3.3.1 is also a beneficiary of the Charity and a Trustee board meeting considers whether fees for service users of the Charity (i.e. beneficiaries) should be increased.
 - 3.3.2 is related to a member of the Charity's staff and a Trustee board meeting considers staff pay and/or conditions.
 - 3.3.3 is also a trustee, director or member of the management committee of another organisation that is competing for the same funding as the Charity.
 - 3.3.4 has shares in a business that may be awarded a contract to do work or provide services for the Charity or is a director, partner or employee of such a business or is related to someone who has either shares in such a business or is a director, partner or employee of such a business.

4. Declaring Conflicts of Interest

- 4.1 A Trustee has a personal responsibility to declare conflicts of interest if s/he is to fulfil his/her legal duty to act only in the best interests of the Charity. A Trustee should be meticulous about declaring any actual or potential conflict of interest affecting him/herself and connected parties, and should declare the nature and extent of any interest, whether direct or indirect.
- 4.2 Upon appointment, each Trustee must make a full, written disclosure of interests, such as business or personal relationships, posts held, or financial or property interests that could potentially result in a conflict of interest. This written disclosure will [be made on the form referred to below and] be kept on file and will be updated at least annually, and when any material changes occur.
- 4.3 Each Trustee must also declare any gifts or hospitality offered and received in connection with their role in [the charity] that could potentially result in a conflict of interest.
- 4.4 A declaration of interests form is provided by [the Trustees] [Charity Secretary] to each Trustee for the above purposes, and it will list each type of interest that a Trustee should declare.
- 4.5 At the beginning and during the course of any meeting of Trustees, a Trustee must declare any interests in a transaction or decision where there may be a conflict between the Charity's best interests and the Trustee's best interests or a conflict between the best interests of the Charity and another organisation that the Trustee is involved with. If in doubt the potential conflict must be declared anyway and clarification sought.

- 4.6 If a Trustee has any uncertainty as to whether s/he has an interest which should be declared, s/he should refer it for a decision on that question to the Chair of Trustees.

5. Dealing with Conflicts of Interest

- 5.1 If a Trustee believes that s/he has a real conflict of interest or that it might appear that s/he has a conflict of interest, s/he should declare the interest at the earliest opportunity and withdraw from any discussions or decisions or votes relating to the matter in relation to which s/he has a conflict. S/he will not be counted as part of the quorum for the part of the meeting which deals with that matter.
- 5.2 Where a conflict of interests arises for a Trustee because s/he owes a duty of loyalty to another organisation or person and the conflict is not authorised by virtue of any provision in the Memorandum or Articles of the Charity, the unconflicted Trustees may authorise such a conflict of interests where the following conditions apply:
- 5.2.1 The Trustees ask for permission from the Charity Commission's before a benefit for a Trustee is authorised that is not either authorised in the Charity's Articles of Association or is not already authorised in writing from the Commission.
- 5.2.2 the Trustee who has declared the conflict of interest withdraws from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
- 5.2.3 the Trustee who has the conflict of interest does not vote on any such matter and is not to be counted when considering whether a quorum of Trustees is present at the meeting;
- 5.2.4 the other Trustees who have no conflict of interest in this matter consider it is in the interests of the Charity to authorise the conflict of interest in the circumstances.
- 5.2.5 Any such disclosed conflict of interests and the subsequent discussions, actions and decisions taken will be noted in the minutes.
- 5.3 For all other potential conflicts of interest, the Trustees will ask the Charity Commission to advise, and that advice will be recorded in the minutes. The Trustees will record in writing all steps taken to implement that advice. Where a Trustee deliberately does not declare a conflict of interest this will be dealt with in accordance with [name] and Trustees may be removed for breaching this policy.

6. Benefits

It is essential that a Trustee does not derive any benefit from any transaction to which the Charity is a party unless and until s/he has obtained beforehand explicit legal authority to do so. Examples: payment by the Charity to a Trustee of a salary, payment by the Charity to a Trustee for goods or services, or sale of property to a Trustee by the Charity at below market value. That legal authority may come from a clause in the Articles of Association, a statutory provision, the Charity Commission or the court.

7. Data Protection

The information provided in declarations of interests will be processed in accordance with the Data Protection Legislation. The “Data Protection Legislation” means the General Data Protection Regulation (EU Regulation 2016/679) and the Data Protection Act 2018 as they are amended or superseded by other legislation of the United Kingdom from time to time. Data will be processed only to ensure that Trustees act in the best interests of the Charity. The information provided will not be used for any other purpose.

8. General

- 8.1 This policy is meant to supplement good judgment. Trustees, staff and volunteers should respect its spirit as well as its wording.
- 8.2 The Trustees will take steps to bring this policy to the attention of all staff when they are recruited and then on an annual basis.

The Trustee board will, as appropriate, monitor and enforce this policy, and revise it from time to time.

[Adopted][Revised] on [<<Date>>]

Date:

Signature: