

Conflicts of Interest Policy



1. Introduction

- 1.1. The purpose of this policy is to protect the integrity, transparency, and accountability of the Eldonian Community Trust ("the Charity") by ensuring that all actual, potential, or perceived conflicts of interest are identified, declared, and managed appropriately.
- 1.2. A conflict of interest may arise where an individual's personal interests—or those of someone they are closely connected to—conflict, or appear to conflict, with the interests of the Charity.
- 1.3. This policy applies to all trustees, volunteers, committee members, and individuals acting on behalf of the Charity.

2. Legal and Regulatory Context

- 2.1. Trustees are legally obliged under the Charities Act 2011 to act in the best interests of the Charity and must avoid situations where their personal interests could conflict with this duty.
- 2.2. The Charity Commission expects all charities to have a clear conflicts of interest policy and to manage conflicts in a way that maintains public trust and confidence.

3. Types of Conflicts of Interest

- 3.1. Examples of conflicts include (but are not limited to):
 - 3.1.1. Personal financial gain (e.g., a trustee awarding a contract to a family member)
 - 3.1.2. Non-financial interests (e.g., a trustee being influenced by loyalty to another organisation/person)
 - 3.1.3. Dual roles (e.g., being a trustee and a service user or staff member)
 - 3.1.4. Membership of political, religious, or community groups that may conflict with the Charity's aims or operations

4. Declaration of Interests

- 4.1. Trustees and relevant individuals must:
 - 4.1.1. Complete a Declaration of Interests Form on appointment
 - 4.1.2. Update the declaration annually
 - 4.1.3. Declare any conflict at the beginning of each meeting or as soon as it arises
- 4.2. The Secretary will maintain a Register of Interests that is reviewed annually and made available to regulators if required.

5. Managing Conflicts of Interest

- 5.1. Once a conflict has been declared, the Board of Trustees will decide how best to manage it. Options include:
 - 5.1.1. Requiring the individual to abstain from the discussion and/or decision-making
 - 5.1.2. Excluding the individual from the relevant part of the meeting

- 5.1.3. Seeking legal advice
- 5.1.4. Removing the individual from a position of influence
- 5.2. The decision must be recorded in the meeting minutes, including:
 - 5.2.1. The nature of the conflict
 - 5.2.2. Who declared it
 - 5.2.3. The action taken to manage it
- 5.3. Where a conflict cannot be adequately managed, the individual may be asked to step down from their role in line with the Charity's constitution.

6. Serious and Ongoing Conflicts

- 6.1. In cases where a serious or ongoing conflict exists (e.g., financial dependency, ongoing contracts with related parties), the Board may:
 - 6.1.1. Seek external legal or governance advice
 - 6.1.2. Report the matter to the Charity Commission if it may pose a risk to the Charity's compliance or reputation
- 6.2. Trustees must not allow a situation to develop where they are routinely conflicted on key matters.

7. Breaches of the Policy

- 7.1. Failure to declare or properly manage a conflict of interest is a serious breach of trustee duties.
- 7.2. The Board will investigate any breaches and may take appropriate action, including:
 - 7.2.1. Issuing a formal warning
 - 7.2.2. Referring the matter to the Charity Commission
 - 7.2.3. Asking the individual to step down

8. Review and Approval

- 8.1. This policy was approved by the Board of Trustees on Friday 9th May 2025 and will be reviewed every two years or as required by legal or regulatory change.