Rukungiri Orphan Partnership (ROP)

009 - Conflicts of Interest

Trustees have a legal duty to add only in the best interest of their Charity. They must not put themselves in any position where their duties as a trustee my conflict with any personal interest they may have.

This means they should handle conflict of interest using the following steps:

Identify any conflicts of interest:

- Trustees each have an individual responsibility to declare conflicts of interest which might affect them
- There should be strong systems in place so that they are able to identify conflicts of interest
- Trustees should complete the Register of Interest which will be retained by the Secretary

Prevent any conflicts of interest:

- Not pursuing a course of action
- Proceeding with the issue in a different way so that a conflict of interest does not arise

Where trustees have decided against removal of the conflict-of-interest, they must prevent it from affecting their decision in a different way:

- They must follow any specific requirements in the law or the government documents which deals with conflict of interest and how they should be managed
- They should where there are no specific governing document or legal provisions require conflicted trustees to declare interest at an early stage

Guidance can be found on the charity commission website which provides guidance called ‘it’s your decision: charity trustees and decision-making.

Conflicts of interest relate to the trustees personal interests and the interests of those connected to them. There is a conflict of interest where had proposed transaction between the charity and they connected person and where there is a benefit or potential benefits cloud connected person

The checklist for ascertaining a conflict-of-interest is attached below.

Conflict of Interest Checklist

Further reference should be made to the Charity Commission publication ‘Conflicts of Interest: A Guide for Charity Trustees’.

Q1. If a trustee has identified that a conflict of interest exists, has the trustee body considered whether the conflict is so serious that it should be removed or they should seek authority for it?
If the trustees have decided against removing the conflict of interest or seeking authority for it, go to Q2.

Q2. Has the conflict of interest come up because the trustee concerned, will receive a benefit as a result of the decision? (Details of what a trustee benefit is, and which benefits need to be authorised, can be found in part 3 and Annex A of this guide). If yes, go to Q3. If not, go to Q4.

Q3. Is the benefit authorised: • by the charity's governing document? • by a statutory provision such as section 185 of the Charities Act? • specifically, by the Charity Commission? If no, the trustees must apply to the Commission for authority for the benefit Go to Q5. If yes, have the charity's trustees complied strictly with the terms of the authority? Go to Q5.

Q4. Even though there is no trustee benefit, are there procedures in place to ensure that the decision can be made only in the best interests of the charity? If no, the charity's trustees should take advice on their decision, and for the future, ensure that suitable conflicts of interest procedures are put in place and followed. If yes, go to Q6.

Q5. Have the charity's trustees checked whether they are required to disclose the trustee benefit in the annual report and accounts? - Go to Q6.

Q6. Have the charity's trustees made a record of the conflict, their approach to dealing with it, and their decision?

Date of Change:	Changed By:	Comments:
22/1/25	SR	New agreed process for recording register of interest