

Charitable Governance Knowledge Bank

Assessing a conflict of interest checklist

**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?

If **yes**, go to **Q3**. If **no**, 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?