

Conflict of Interest Policy



Category:	Organisational
Approved by:	Board of Trustees
Policy Effective Date:	25 November 2019
Responsible Officer:	Chief Executive
Last Review Date	June 2025
Next Review Date:	June 2028 (every three years)

1.0 Purpose

The purpose of this Conflict of Interest Policy is to protect the integrity and interests of Central Lakes Trust (CLT) by ensuring that decisions and actions taken by its employees and trustees are free from personal or financial conflicts.

This policy outlines the principles that apply to all CLT trustees and employees when dealing with or considering conflicts of interest, to ensure that practices are open and fair.

2.0 Scope

This policy applies to all CLT trustees and employees.

3.0 Principles

Given the relatively small size of the CLT region and the varied interests and roles of trustees/employees in the community, situations involving conflicts of interest are likely to arise from time to time. CLT recognises that a conflict of interest is not always objectively definable but does exist whenever an independent third party has reason to believe that a trustee/employee's interests (including loyalty to other persons or organisations or localities) may unduly influence their decision (perceived risk).

Consequently, in order to maintain the integrity of CLT and individual trustees/employees, the principles of impartiality, honesty, transparency and openness must guide them in performing their roles within CLT and in the identification, disclosure, and management of any actual or perceived conflicts of interest.

4.0 Policy

CLT recognises that in most situations the handling of conflicts of interest will be uncomplicated; however, CLT also recognises that not all situations can be anticipated. The policies and procedures are therefore intended as a guide and as such prudent judgement must be exercised on a case by case basis.

A. Defining Interests

Circumstances where a trustee/employee is interested in a transaction to which CLT is a party shall include but are not limited to the following situations, where the trustee/employee:

- is a party to, or will, or might, or might by relationship, be perceived to derive a financial benefit from the transaction; or
- has a financial interest in another party to the transaction; or

- is a trustee, member or officer of, or has an instrumental relationship with, an organisation that will or might or might be perceived to - derive a financial benefit from, the transaction; or
- is the parent, child, stepchild (including of a de facto relationship), sibling, or spouse or de facto partner of another party to, or person who will, or might, or might be perceived to, derive a financial benefit, or other advantage, from the transaction. The terms used in this clause shall have the meanings ascribed to them (where applicable) within the Property (Relationships) Act 1976; or
- is otherwise directly or indirectly interested in the transaction.

An interest or conflict does not arise simply by being a member of the community, whether or not that community may derive benefit from a CLT decision.

B. Disclosure of Interests

CLT will maintain a Conflict of Interest Register. A trustee/employee's disclosure of the nature of their interests will be sufficiently thorough to enable the board to make an informed decision when determining actual, perceived or potential conflicts of interest and for determining how best to manage and mitigate the conflict of interest.

Trustees and employees are required to identify and disclose in a timely and effective manner any direct or indirect interest in any matter coming before the board or management. Such disclosures apply both to grants and any other contracts or financial arrangements in which CLT is involved.

Trustees and employees are permitted to submit an application to CLT on behalf of an organisation with which they are associated. However, in these instances they become automatically conflicted. Consequently, the person conflicted shall not be involved with the assessment or decision-making process.

C. Assessing Conflicts of Interest

In assessing disclosed conflicts of interest the board and management will take into consideration:

- i) the size and materiality of the transaction in question;
- ii) the size and materiality of the interest the trustee/employee has in the provider;
- iii) the nature of the connection between the interests or the remoteness of the interest if it is indirect; and
- iv) the actual, perceived or potential risk that:
 - the trustee/employee might influence the decision/transaction of the board or management, or
 - the trustee/employee might influence the applicant (in the case of grants or scholarships), or
 - the trustee/employee might influence the provider (in the case of service provision to CLT), or
 - the trustee/employee might derive advantages as a result of their position within CLT.

D. Managing Conflicts of Interest

CLT's board and management will use prudent judgement, on a case by case basis, when deciding what action (if any) is necessary in situations involving conflicts of interest.

For the purposes of trustees/employees' disclosure and participation in decision-making, there is no practical distinction between actual and perceived conflicts of interest.

E. Conflict of Interest Register

CLT shall keep and maintain a register of trustees' and employees' interests.

Generally, because of the potential for conflict (or perceptions of conflict), CLT will refrain from appointing trustees to bodies that may seek CLT's financial support. In the instance that a trustee is CLT's nominee or appointee on an external body, that trustee is deemed to have a conflict of interest.

5.0 Relevant Related Legislation & CLT Policies

- Trust Deed
- Governance Charter
- Gifts, Koha and Entertainment Policy
- Conflict of Interest Procedure
- Staff Handbook

6.0 Approved

Signature: 
17 Jun, 2025 2:59:02 PM GMT+12
Linda Robertson, Board Chair

Document Version Control

Version	Date	Description of Changes
1.0	25/11/2019	Policy approved by the board on 25.11.2019
2.0	28/06/2022	Reviewed and updated; approved by the board on 27.06.2022
3.0	18/06/2025	Reviewed and updated; approved by the board on 17.06.2025

Conflict of Interest Procedure



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1.0 Introduction

The purpose of this document is to capture the process for keeping and maintaining a conflict of interest register and financial interest register for employees and trustees.

2.0 Procedures

Employees

New employees will be advised of the need to complete the conflict of interest and financial registers during their first week of employment.

Conflicts of interest will be noted on the register and employees will bring any conflict to the attention of their manager as soon as it arises. Appropriate action will then be taken to mitigate any conflict and noted appropriately in the corporate record.

Trustees

- Trustees will be asked to disclose any interests they have upon election or appointment.
- This information will be incorporated into the conflict of interest register and financial interest register.
- Trustees are expected to ensure that their interests, as recorded in the register, are kept up-to-date.
- The conflict of interest and financial registers will form part of each board and investment committee meeting agenda and will be updated as required.
- On registration of an organisation for a grant the grants team will check the interest register and note any conflicts of interest on Fluxx.
- The board and committee secretary will inform the grants team of any updates made to the conflict of interest register.
- The grants team will record when interests are declared amended or removed.
- The conflict of interest will be noted on the grant summary sheet provided to the board secretary by the grants team.
- Where there is a conflict/potential conflict of interest with any item to be discussed on a meeting's agenda, the trustee(s) concerned will:
 - Identify and declare that interest under the Declarations of Conflicts of Interests agenda item.
 - Reiterate the conflict/potential conflict of interest when the specific item is to be discussed.
 - Leave the meeting room during the discussion and decision-making relating to the conflicted matter, unless they have sought and obtained permission to remain in the meeting.
 - If it is agreed the conflicted trustee should remain in the meeting, the trustee(s) will only speak if permission to participate in the discussion is sought and obtained.

- The board's decision regarding the handling of the interest will be recorded in the minutes.
- The trustees' comments on the matter, if any, will also be recorded in the minutes.
- A trustee may not lobby, either within or outside of formal meetings, for any funding application in which they have an interest.
- A trustee may not vote on the matter in respect of which they are conflicted.
- All conflicts of interest will be noted in the minutes.
- The board secretary will record any grant decisions made on the annual conflict of interest audit disclosure spreadsheet.
- Where there is a conflict/potential conflict of interest pertaining to a grant application, the employee concerned will not be involved in any form with the grant application processing or grant recommendation/decision-making process.
- If a conflict arises outside of a meeting this should be raised and discussed with the relevant person (board chair or chief executive) as soon as the potential for a conflict of interest is identified. The nature of the interest must be recorded in the conflict of interest register for presentation at the next board meeting.

All

- Employees and/or trustees who perceive that any other staff member or trustee has, or may be perceived to have, a conflict of interest that has not been notified to the board, have an obligation to draw this to the board chair's attention (or the deputy chair in the event that the matter concerns the chair), as soon as possible. If not possible before the meeting, the matter should be drawn to the attention of the board at the meeting at which the non-declaration of a conflict becomes apparent.
- Anyone within CLT has the ability to record conflicts of interest on the register however, changes should be highlighted to the grants team and board secretary.

Document Version Control

Version	Date	Description of Changes
1.0	01/2022	Approved by CE.
1.1	02/2022	Approved by CE.
2.0	18/06/2025	Reviewed and updated; approved by the board on 17.06.2025