

## General Welfare Requirement: Suitable People

Providers must ensure that adults looking after children, or having unsupervised access to them, are suitable to do so.

## Employment

### 2.7 Conflict of Interest

#### Policy Statement for St Joseph's Pre-school

##### Statement of Intent

St Joseph's Pre-school recognises that at times there may be a potential for conflicts of interest. The Charity Commission (CC) advises that a conflict of interest arises when a charity trustee<sup>1</sup> has a personal or professional interest that could influence their decisions regarding the charity. This can lead to decisions that are not in the best interest of the charity and may even be invalid or open to challenge. However, the existence of a conflict of interest does not reflect on the integrity of the affected trustee, so long as it is properly addressed.

These harmful effects can be prevented by all individuals (staff, volunteers, parents and committee members) declaring a conflict of interest immediately they are aware of any possibility that their personal or wider interests could influence their decision-making.

The Pre-school's Constitution states "*If a conflict of interest arises that compromises a Committee [i]member's ability to act solely in the interest of the Group then that Committee member must remove themselves from any discussion or vote arising from the matter.*" This also applies to any member of staff who attends a Committee Meeting with regards to discussions as they do not have the power to vote. As staff are normally paid and may also receive other benefits from the Pre-school as part of their remuneration, they should be not be involved in any Committee decision about the remuneration they receive.

All Committee Members have a legal duty to act only in the best interests of St Joseph's Pre-school. The CC expects them to take appropriate steps in line with their guidance<sup>2</sup> and the aim of this policy is to minimise any conflict of interest for staff, volunteers, parents and committee members at St Joseph's Pre-school.

##### Identifying conflicts of interest

There are two common types of conflict of interest: financial conflicts and loyalty conflicts.

##### *Financial conflicts*

These conflicts happen when a trustee, or person or organisation connected to them, could get money or something else of value from a trustee decision. They do not include a trustee's expenses – for example, for going to a charity meeting.

Some common examples are:

- pay the trustee for doing their trustee role (more than their expenses);
- employ or pay the trustee, or their relative, for some work at St Joseph's Pre-school;
- buy goods from a business owned by a trustee.

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<sup>1</sup> ie. St Joseph's Pre-school's Committee Members

<sup>2</sup> CC29 Conflict of Interest: a guide for charity trustees

NB: it still counts as a conflict, even if your charity would get/got a good deal for its money.

### *Loyalty conflicts*

These conflicts are not about money or other trustee benefits. They happen when, for other reasons, a trustee might not be able to make decisions that are best for the charity.

Some common examples are:

- if the Pre-school's decision involves a person or organisation linked to a trustee, ie.
  - the trustee's employer;
  - another charity where they are a trustee;
  - their relatives or friends.

There can be a conflict because the trustee's responsibility (or loyalty) to the other organisation or person could compete with their responsibility to St Joseph's Pre-school. Conflicts can affect all types of charities. The Pre-school will identify and deal with them properly to ensure that the setting meets their joint legal responsibility to make decisions.

### *Committee Meetings*

In line with CC expectations, "declaring conflicts of interest" is a standard agenda item at Committee Meetings. At the beginning of each meeting Committee Members are asked to declare any actual or potential conflicts of interest with regards to items to be discussed.

- A trustee should declare any interest which he or she has in an item to be discussed, at the earliest possible opportunity and certainly before any discussion of the item itself.
- If a trustee is uncertain whether or not they are conflicted, they should err on the side of openness, declaring the issue and discussing it with the other trustees.
- If a trustee is aware of an undeclared conflict of interest affecting another trustee, they should notify the other trustees or the chair.

St Joseph's Pre-school will use the CC's [checklist](#) to help them address a conflict of interest.

### **3-Step approach**

The pre-school adopts a 3-step approach of identify, prevent and record.

- The pre-school keeps a written record of the conflict of interest and how it was dealt with in the minutes of committee meetings (as they arise). The minutes will explain:
  - what sort of conflict of interest it was;
  - which staff member, volunteer, parent or committee member were affected;
  - if any conflict of interests were declared in advance;
  - an outline of the discussion;
  - if anyone withdrew from the discussion; and
  - how the meeting made the decision in St Joseph's Pre-school's best interests.

### **Method**

St Joseph's Pre-school will work towards the above objective through:

- No staff, volunteer or committee member should allow their outside activities to interfere with their work at St Joseph's Pre-school.
- No staff, volunteer or committee member should allow any conflicts between their duties or their private interest to affect their ability to carry out their duties effectively.
- No staff, volunteer or committee member should make use of or exploit the pre-school, their connection with the pre-school or information obtained in the course of their duties to further their own private interest or gain.

- No staff, volunteer, parent or committee member should act in a manner likely to bring the pre-school into disrepute or effect the reputation.
- Staff, volunteers and committee members must disclose any potential or apparent conflict of interest that may affect their ability to carry out their role.
- If a member of staff, volunteer or committee member feels there is a conflict of interest, they must raise it with their line manager or Chairperson, and a declaration of conflict of interest form is completed (see Appendix 1).
- If a meeting is arranged where a conflict of interest could arise, then the member of staff, volunteer, parent or committee member may be excused as decided by the Committee or Chairperson. This must be documented in the meeting minutes.
- Staff, volunteers and committee members will not discuss any personal information relating to any child or other staff members outside of pre-school business, either verbally or via other forms of media (eg. social network sites, text messages, etc).
- Staff, volunteers and committee members are required to abide by the Pre-school's Social Media Policy<sup>3</sup> with regards to contact with others via social media.
- Information to do with the employment of staff or volunteers, whether paid or unpaid, will remain confidential to the people directly involved with making personnel decisions.
- St Joseph's Pre-school works in line with and refers to the General Data Protection Regulations 2018 and the Data Protection Act 2018 and seeks advice when needed from the Information Commissioner's Office (ICO). The Pre-school is listed on the ICO's Data Protection Register<sup>4</sup>.
- Adults should be aware that behaviour in their personal lives may impact on their work with children. Adults should understand that the behaviour and actions of their family members may raise questions about their suitability to work with children.
- Staff should always approve any planned social contact with children or families with management. Report and record any situation which may place a child at risk or which may compromise the pre-school or their own professional standing.
- St Joseph's Pre-school has a duty to take reasonable steps to prevent conflict of interests within the workplace, ie. the redeployment of staff related to a child in their care.

All the undertakings above are subject to the paramount commitment of St Joseph's Pre-school, which is to the safety and well-being of the children who attend the pre-school.

Any completed conflict of interest forms will be filed with the appropriate Committee minutes where the conflict has been recorded.

### **Remedial action by Trustees**

Where Committee Members do not identify or properly respond to a conflict of interest, there can be serious consequences for the affected Committee Member and St Joseph's Pre-school.

Where Committee Members have acted outside the terms of the St Joseph's Pre-school's governing document or the law, their decision may not be valid. It could be challenged by the CC or by an interested party, such as a beneficiary of the charity.

Where a Committee Member fails to act properly or make a mistake the CC always expects them to act promptly to put things right and prevent a recurrence of the same or similar issue. The CC expects Committee Members to use guidance CC29 "Conflicts of Interest: a

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<sup>3</sup> Policy 1.12.3

<sup>4</sup> ICO reference number: ZB019647

guide for charity trustees”. The CC’s minimum expectation of Committee Members is that they:

- take reasonable steps to assess and manage any risks to the charity’s work and reputation;
- make a full record of the issue and how they have handled it; and
- reviewed the Conflicts of Interest policy, ensuring that all trustees are made aware of its contents and meaning, and fully implement the policy in the future.

Where a Committee Member’s actions or failings present a serious risk to the charity, the CC is likely to regard this as mismanagement or misconduct and take regulatory action.

The regulatory consequences of making a decision which is subject to a conflict of interest largely depend on the nature and severity of the conflict, its impact on the charity, and the ability of the Committee to remedy the situation and operate in line with their duties. Corrective regulatory advice will specify what the trustees should do to remedy the situation and to ensure that it does not recur. The CC will monitor the Committee’s implementation of the required improvements, within a stipulated timescale. Any failure to fully implement the required improvements is likely to be regarded as misconduct or maladministration of the charity and can lead to further use of the CC’s powers.

**NB:** Failure to act properly where there is a conflict of interest is a breach of the Committee’s legal responsibilities.

#### Further guidance

- Charity Commission Guidance: [Conflicts of interest: a guide for charity trustees](#) (CC29)
- Charity Commission Guidance: [Decision making for charity trustees](#) (CC27)
- Charity Commission Guidance: [Addressing a conflict of interest: checklist](#)
- Information Commissioner’s office [www.ico.org.uk](http://www.ico.org.uk); helpline: 03003 123 1113 (Mon to Fri 9am-5pm).

#### Associated Policies and Procedures

- 1.4 Confidentiality
- 1.12.3 Social Media

Version Number	Author	Purpose of change	Date
1.0	K Coupe	New policy: Requirement of Charity Commission. Version Controlled	7 Nov 2018
2.0	K Coupe	Inclusion of reference to Policy 1.12.3 Social Networking with regards to use of social media, plus updated reference to the ICO Data Protection Register	1 July 2021 Committee Meeting
3.0	K Coupe	Reviewed and updated with regards to <ul style="list-style-type: none"> <li>• latest Charity Commission advice;</li> <li>• inclusion of “Associated Policies and Procedures” Section as per EY Safeguarding Audit s175/157 2023</li> </ul>	25 Feb 2024 Committee Member (S Long)
4.0	K Coupe	Reviewed and update in line with Charity Commission guidance: <ul style="list-style-type: none"> <li>• Charity Commission definition of a conflict of interest and reference to the Pre-school’s Constitution;</li> <li>• new section re Committee Meetings;</li> <li>• new section covering remedial action</li> <li>• Further Guidance updated and hyperlinks included.</li> </ul>	29 Jan 2026 Committee Member (L Finn-Powers)



## St Joseph's Pre-school Register of conflict of interests

Person or organisation	Nature of relationship and/or nature of conflict of interest
<i>Example: Josephine Bloggs, staff</i>	<i>parent of child attending pre-school</i>
<i>Example: Millhouse Playing Field Association</i>	<i>Committee member</i>

Name: .....

Position: .....

Signed: .....

Date: .....

NB: complete one form for each staff member, volunteer, parent or committee member and file with the associated minutes.