



Press release

Charities Regulator launches guide to help charity trustees manage conflicts of interest

4 May 2018

The Charities Regulator today launched a practical guide to help charity trustees manage conflicts of interest that may arise when managing and controlling their charities.

A conflict of interest is any situation in which a charity trustee's personal interests or loyalties could, or could be seen to, prevent the charity trustee from making a decision in the best interests of the charity. This personal interest may be direct or indirect, and can include interests of a person connected to the charity trustee.

“Conflicts of interest can and do arise from time to time within charities,” Charities Regulator Chief Executive John Farrelly said. “The problem is not that conflicts of interest arise, but that they are not managed appropriately, which can negatively impact the charity in terms of governance and associated reputational risk.”

“Charities can be more susceptible to conflicts of interests than other entities, due to their funding structures, and their volunteer nature and trustee recruitment practices,” he said.

“A key test to help charity trustees is to ask the question - would a reasonable person, who was aware of the charity trustee's personal interest, believe that the charity trustee might be influenced by that personal interest when making a decision on behalf on the charity?”

The guidance document advises charity trustees to follow three simple steps to deal with conflicts – identify, manage and record. It features 10 useful case studies, which illustrate fictitious scenarios which could emerge or arise in a charity, and provides guidance on how they should be addressed.

“These examples are useful in that they map out for the trustees, typical every day incidents within charities where potential conflicts of interests could arise,” Mr Farrelly said.

The guidance recommends that charities should have a policy and a register of interest in place and provides downloadable templates (in Microsoft Word) which charities can complete or tailor for their own organisation.

The [Managing Conflicts of Interest guide](#) is available on the guidance section of the Charities Regulator’s website.

The [‘downloadable Appendix A - Conflict of Interest Policy.docx’](#) is available to download.

The [‘downloadable Appendix B – Template of Register of interests.docx’](#) is available to download.

For more information: email press@charitiesregulator.ie or contact Eamon Timmins, Head of Communications and Stakeholder Engagement, at 01-6331517 or 087-7520978.

Notes to the editor:

- This guide is latest in a suite of guidance documents produced by the Charities Regulator to encourage and facilitate the better administration and management of charities.
- Other document available on the Charities Regulator’s website are:
 - The [‘Guidance on Charities and the Promotion of Political Causes’](#);
 - [Guidance for Charity Trustees](#);
 - [Internal Financial Controls Guidelines for Charities](#);

- [Guidelines for Charitable Organisations Fundraising from the Public](#) and
- [What is a Charity](#).

Further guidance documents will be published during 2018.

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