All Saints with St John Parochial Church Council (PCC) – Conflict of Interest

Policy and Procedure

All Saints with St John Parochial Church Council (PCC) trustees make decisions solely in the best interests of the charity and in furtherance of its charitable purposes. We do not allow personal interests, or the interests of people or organisations connected to trustees to influence these decisions.

We recognise two common types of conflict of interest:

- **Financial conflicts** - when a trustee, or person or organisation connected to them, could get money or something else of value from a trustee decision. This does not include the payment of expenses.
- **Loyalty conflicts** - a loyalty conflict arises where a trustee's loyalty to another person or organization could affect, or reasonably appear to affect, their ability to act only in the best interests of the PCC.

A conflict of interest may arise when a trustee has a relationship with an organisation or person with which the PCC has, or is considering entering into, a financial, or other working relationship. Such a relationship may include:

- Family – spouse, civil partner, or partner, parent, child, sibling, or other close family member
- Close friends, business associates or any other relationship that could reasonably be perceived as influencing their judgement.
- Organisation – as a trustee, director, committee member, employee or volunteer.

A conflict of interest does not arise solely because a trustee is a member of the church congregation or receives the same benefit as other members of the congregation.

Procedure:

Identifying Trustee Conflicts of Interest

Declarations of conflicts of interest will be a standing item on the agenda for all PCC and committee meetings. The Chair will remind trustees at the start of each meeting that any interests must be declared.

Identification of a conflict: Any professional or personal interest that may make it difficult for a trustee to fulfil their duties impartially, or which may create an actual or perceived conflict of interest in relation to an item on the agenda, must be declared and recorded in the minutes of the meeting. Specifically:

- If a trustee is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the PCC, they must declare the nature and extent of that interest to the other trustees

- If a declaration of interest proves to be, or becomes, inaccurate or incomplete, a further declaration must be made
- Any required declaration of interest must be made before the PCC enters into the transaction or arrangement
- A declaration is not required in relation to an interest of which the trustee is not aware or where the trustee is not aware of the transaction or arrangement in question. For this purpose, a trustee is treated as being aware of matters of which they ought reasonably to be aware.

Where a trustee declares a conflict of interest, the remaining trustees will determine how the conflict should be managed, taking account of the nature and significance of the conflict. Declaring a conflict of interest does not automatically prevent a trustee from participating. The trustee may, however, be asked to withdraw from the meeting while the relevant agenda item is discussed and decided, and will not take part in any decision where the conflict prevents them from acting solely in the best interests of the PCC.

Managing Trustee Conflict of Interest

To manage conflicts of interest, the PCC will:

- Agree and annually review the Conflict of Interest Policy and Procedure
- Maintain a Register of Interests, completed by each new trustee and reviewed annually. Trustees are responsible for notifying the Secretary promptly of any changes to their interests during the year.
- Include declarations of conflicts of interest as a standing item on every agenda for every PCC and committee meeting.
- Where the Chair has a conflict of interest, the remaining trustees will appoint another trustee to chair that item of business.
- The remaining trustees will ensure that the meeting remains quorate before making a decision.

Recording Trustee Decisions

Conflicts of interest will be recorded in the minutes, together with the nature of the conflict, how it was managed, and the key points and decision(s) made, in sufficient detail to enable a reader to understand the issue and the basis on which the decision was made. Information disclosed in declarations of interest will be recorded only to the extent necessary for good governance and legal compliance.

Why this matters: Trustees have a legal duty to act only in the best interests of the PCC and to declare and manage conflicts of interest appropriately. Failure to do so may expose the PCC and individual trustees to legal, financial, and reputational risk and, in some circumstances, may affect trustee indemnity or insurance arrangements.