



# St. Peter's Church Harborne

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Regd. Charity Number 1140018

## CONFLICT OF INTEREST POLICY

### Preamble

Those responsible for administering a charity (the 'charity trustees') must act in the best interests of the charity. Amongst other things, that requires them to avoid anything that prevents decisions being taken by reference to other considerations. It also follows that charity trustees need to avoid putting themselves in a position in which their duty to act only in the best interests of the charity could conflict with any personal interest they may have.

This has implications in practice for both individual charity trustees and for the charity trustees collectively:

- individual charity trustees must identify and declare any conflict of interest on their part; and
- the charity trustees collectively must ensure that they have arrangements in place that enable conflicts of interest to be identified and dealt with effectively.

The early identification of conflicts of interest is therefore key to ensuring that both individual charity trustees and the charity trustees collectively do what is expected of them.

A conflict of interest policy is designed to ensure that the discussions and decisions of the charity trustees are not influenced by any other interests. Its purpose is to make sure that everything that may affect an individual charity trustee's contribution to a decision is identified, dealt with appropriately and recorded. For general guidance to charities, see <https://www.gov.uk/guidance/managing-conflicts-of-interest-in-a-charity>

A Parochial Church Council (PCC) is in no different a position in these respects from any other charity. Its charity trustees (ie all the individual members of the PCC) are under a legal obligation to act in its best interests. The church does not, however, operate in a vacuum: both it and its members form an integral part of the life of the community. This can give rise to conflicts of interest for individual members of the PCC where the best interests of the PCC may be at odds with those of other community organizations. And other conflicts of interest may arise from personal or family circumstances.

Where a conflict of interest is not identified and dealt with appropriately, it can result in decisions or actions that are not in the best interests of the PCC and/or which, in the case of interests of a personal kind, can confer an unauthorized benefit on one or more members of the PCC.

Conflicts of interest can take many forms. Some will make it inappropriate for the individual to participate in a discussion or decision; others may simply need to be identified and declared, so allowing the individual to continue to contribute their experience and expertise to the matter at hand.

## Policy

1. This policy applies to all members of the PCC, the Standing Committee and any other committees or working parties set up by the PCC.
2. A conflict of interest is any situation in which a member's personal interests or loyalties could prevent, or could be seen to prevent, the member from making a decision only in the best interests of the PCC. Such a situation may arise either:

- (a) where there is a potential financial benefit to a member, whether directly or indirectly through a connected person, such as a close family member (usually either a spouse or civil partner, parent, grandparent, child or grandchild) or business partner; or
- (b) where a member's duty to the PCC may compete with a duty of loyalty he or she owes to another organization or person (eg by virtue of being a trustee or committee member of a body which has an interest in the matter).

In all the above situations it is up to the Trustee to determine whether his/her involvement in a matter relating to a third party represents a potential conflict of interest and should therefore be declared. If the Trustee is not sure what to declare, or whether and when a declaration needs to be updated, the Trustee should err on the side of caution

3. Interests should be declared at the beginning of a meeting when a relevant matter is on the agenda or as soon as the interest becomes apparent. There are four occasions when a Trustee's personal interests are likely to come into conflict with those of the charity and should be declared.
  - **At Their First Meeting:** Every new Trustee will be asked to complete a Declaration of Interests Form.
  - **Annually:** after each APCM and prior to the first subsequent PCC meeting, Trustees will be asked to review their Declaration of Interests Form and either update it or confirm that it is still correct.
  - **When any significant changes take place:** New matters should not wait until an annual declaration is made before being notified. Trustees should notify the PCC Secretary of all changes or additions as soon as they are known to the Trustee.
  - **Verbally** at any PCC meeting: where specific relevant conflicts or potential conflicts may arise. At the start of each PCC meeting the Chair will ask for any declarations relevant to the agenda to be made known. Trustees should also raise the matter during the course of the meeting as soon as a potential conflict arises.

If a Trustee fails to declare an interest that is known to the PCC Secretary and/or the Chair of the PCC meeting, the PCC Secretary or Chair will declare that interest.

4. Subject to paragraph 6, where a conflict of interest arises in connection with a personal benefit, the member concerned must withdraw from the meeting and not take part in any discussions relating to it (including discussions for the purpose of obtaining any authority from the Charity Commission that would be required to authorize the benefit).
5. Subject to paragraph 6, where a conflict of loyalty arises, the PCC will consider what level of participation, if any, is acceptable on the part of the conflicted member, having regard to the duty to act in the best interests of the PCC. However, the normal expectation will be that the conflicted member should withdraw from the meeting during discussion of the item of business in question.
6. A member need not withdraw from a meeting if his or her interest (whether financial or non-financial) is common to a class of persons and is neither (i) significant nor (ii) substantially greater than the interests of other members of that class.

7. The existence of a conflict of interest must be recorded in the minutes, together with the decision as to how it should be dealt with.

Agenda of the PCC will in future include an item following Matters Arising-

**Declarations of interest**

Members of the PCC should at this point declare any conflict of interest in any items on the agenda

Decisions taken where interest declared: In the event of the PCC having to decide upon a question in which a member has an interest, all decisions will be made by vote, with a simple majority required. A quorum must be present for the discussion and decision. Interested parties will not be counted when deciding whether the meeting is quorate. Interested members may not vote on matters affecting their own interests and may be asked to leave whilst the matter is discussed and voted upon.

All decisions under a conflict of interest will be recorded and reported in the minutes of the meeting.

The report will record:

- the nature and extent of the conflict – whether pecuniary or non-pecuniary
- an outline of the discussion
- the actions taken to manage the conflict.

Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

This policy was adopted by the PCC on **JANUARY 15TH 2025**

Signed



Dr. Maggie Davies, PC Secretary