

TITLE

Tidebrook PCC POLICY ON CONFLICT OF INTEREST

PURPOSE

This policy documents the steps taken by Tidebrook PCC to avoid conflicts of interest (actual or perceived), which could influence the decisions they take, so they might not be in the best interests of the church and church family.

CONTENTS

This policy covers the following:

- Background
- Definition of 'conflict of interest'
- Examples of when conflicts usually happen
- The policy and PCC processes to avoid conflicts of interest

BACKGROUND

The Charity Commission issues extensive guidelines on the importance of identifying, declaring and managing conflicts of interest in charities:

Eg (<https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29/conflicts-of-interest-a-guide-for-charity-trustees#s4>)

Conflicts of interest can affect charities of all sizes, can impact on the quality of decisions made or lead to a perception that decisions are not being made in the best interests of the charity. Having a conflict of interest doesn't mean something has been done wrong. However, the Charity Commission recommends that a policy is in place to prevent such conflicts from interfering with the ability to make decisions which are only in the best interests of the charity.

DEFINITION

- A conflict of interest can occur when a PCC member is in a situation or circumstance in which their judgement, and hence the decisions they make, could be influenced by a secondary interest.
- Even if the individual doesn't actually benefit personally, a conflict can still occur if it appears a decision may have been influenced.
- The *perception* of competing interests, impaired judgement or undue influence can also be a conflict of interest.

EXAMPLES

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 decision. Financial conflicts for a trustee happen if the charity is deciding whether to:

- pay the trustee for doing their trustee role (more than their expenses)
- employ or pay the trustee, or their relative, for work at the charity, or connected activities
- buy goods from a business owned by the trustee, (even if the charity would get a good deal for its money).

Loyalty conflicts: These can happen if the charity's decision involves or impacts on a person or organisation linked to a trustee. For example:

- the trustee's employer
- another charity where they are a trustee
- their relatives or friends

POLICY

Tidebrook PCC manages conflicts of interest in four ways (declare, manage, remove, record):

- This Conflict of Interest **policy is** maintained and reviewed at the start of each PCC year so that all trustees are aware of their obligations
- Declaration of interests is a **standard agenda item**. PCC members **must declare conflicts** of interest at the start of a meeting, or during the meeting if it occurs as a discussion develops.
- PCC members who have declared an interest may contribute to the discussions as their opinions will be considered in the light of the declaration.
- In certain circumstances the Chairman may decide that the PCC member who has declared an interest in a matter may not form part of the quorum or take part in a decision-making vote on that matter and will ask that member to **leave the room**.
- The meeting **minutes will record** what the conflict was, who or what it affected, when it was declared and how it was managed.
- The Annual Report will declare any situation during the year where there has been a potential or perceived conflict (eg payment of a family member of a trustee for performing work for the PCC).