



ALLSAINTS

WOODFORD WELLS

Title	Conflict of Interest Policy
Owner	Operations Director
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Reviewed By	Rachel Whitelegg
Approved By	Risk and Governance Committee
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Introduction

This policy applies to all members of the Parochial Church Council (PCC) who are trustees. Trustees, when acting as such, have a legal obligation to act only in the best interest of the charity. This duty could be compromised if a trustee's personal interests or loyalties could prevent or be perceived to prevent an unbiased decision being made. This trustee would have a conflict of interest.

Situations in which a conflict of interest will arise most clearly are those where:

- there is a potential financial benefit to a trustee, or to a connected person of a trustee (which would include family members or business partners).
- A trustee's loyalty to the PCC could compete with that of a connected person or another organisation (for example through the member's involvement as a trustee or as a committee member in a body that has an interest in the matter).

However, conflicts of interest can arise in a much broader range of situations.

Each trustee's legal obligation is to avoid any situation in which a reasonable person looking at the relevant facts and circumstances would think there is a real possibility that the trustee's personal interests or loyalties might be in conflict with the trustee's duty of undivided loyalty to the PCC.

This could include a situation in which a trustee is involved in making a decision which could affect an employee of the PCC to whom they feel a sense of loyalty (for example, a friend).

In order to comply with their duty and avoid risking the PCC's (and/or ASWW's) reputation, trustees should follow the 3-step approach:

- identify a conflict of interest
- deal with a conflict of interest
- record a conflict of interest

Further guidance in each step is set out below.

Step One - Identify a conflict of interest

You must declare a conflict of interest when you are aware of any possibility that your personal or wider interests could influence your decision-making.

At the beginning of each PCC meeting the chairman will ask the trustees present if there is any item on the agenda that could give rise to a conflict of interest. This is to allow trustees to declare any actual or potential conflicts of interest (as it is a trustee's personal responsibility to make a suitable declaration). Where PCC business is transacted outside a PCC meeting (for example, during a meeting of the Senior Management Team), the same approach will be adopted.

Step Two - Deal with a conflict of interest

When a conflict of interest is identified, the trustees should either:

- find an alternative way forward which doesn't involve the conflict of interest (particularly if the issue is serious) or
- take appropriate steps to manage the conflict, which will usually mean that the person affected does not take part in discussions about or votes on the issue.

If most or all of the trustees are conflicted, then it will be appropriate to seek external advice from the Charity Commission on how to deal with the issue. However, this will only be necessary in extreme circumstances.

Further guidance to trustees about managing conflicts of interest is available on the Charity Commission's website (<https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29/conflicts-of-interest-a-guide-for-charity-trustees>).

Step Three - Record a conflict of interest

The minutes of the meeting will record the conflict of interest and how it was dealt with explaining:

- the nature of the conflict of interest
- which trustee or trustees were affected
- if any conflicts of interest were declared in advance
- an outline of the discussion
- if anyone withdrew from the discussion
- how the other trustees made the decision in the charity's best interests

Details of payments and benefits to trustees and people connected to them are made in the Related Party note in the Annual Accounts.