

Conflict of Interest Policy

St Peter's, Colchester

Adopted by the PCC: [tbc]

Review date: [3 years]

Policy owner: The Parochial Church Council

1. Purpose

This policy explains how St Peter's will identify, declare, manage and record conflicts of interest.

The Parochial Church Council has responsibility for the governance and oversight of St Peter's, and PCC members serve as charity trustees. Those who serve, lead, work, govern, volunteer or act on behalf of the church may sometimes have personal interests, financial interests, relationships or loyalties which could affect, or appear to affect, their judgement.

St Peter's seeks to be faithful to Jesus Christ in all that we say and do. That includes acting with honesty, transparency, fairness, proper stewardship and care for the reputation and witness of the church. This policy is intended to protect St Peter's, its PCC members, staff, volunteers, officers and others by helping ensure that decisions are made lawfully, openly, wisely and in the best interests of the church.

2. Scope

This policy applies to:

- PCC members, as charity trustees;
- clergy, churchwardens and other elected or appointed officers;
- employed staff;
- members of PCC committees, working groups or project groups;
- volunteers, ministry leaders or others who may influence decisions, spending, appointments, contracts, recruitment, use of property or allocation of resources.

The highest legal duties apply to PCC members as charity trustees, but the same principles of honesty, transparency and proper stewardship apply to all who make or influence decisions on behalf of St Peter's.

3. Why conflicts matter

PCC members have a legal duty, sometimes called a fiduciary duty, to act in the best interests of St Peter's and in accordance with the responsibilities of charity trustees.

A conflict of interest can arise where a person's own interests, or their loyalty to another person or organisation, could affect – or could reasonably appear to affect – their judgement when acting for St Peter's.

Conflicts matter because they may:

- inhibit free and honest discussion;
- lead to decisions or actions that are not in the best interests of St Peter's;
- create unfairness or the appearance of unfairness;
- damage trust in the PCC, staff, volunteers or church leadership;
- risk reputational, legal, financial or governance harm;
- give the impression that the church has acted improperly.

A conflict is not always wrongdoing. Many conflicts can be managed properly if they are declared early, handled carefully and recorded clearly. If in doubt, the interest should be declared.

4. Types of conflict

Financial interests

A financial conflict may arise where a person, or someone connected to them, could receive money, employment, a contract, property, goods, services, hospitality, gifts or another benefit from a decision made by St Peter's.

Examples include decisions about:

- employing or paying a PCC member, staff member, volunteer or connected person;
- appointing a PCC member, staff member or connected person as a consultant, contractor or adviser;
- awarding a contract to a business owned by, employing, or connected to a PCC member, staff member or close relative;
- buying, selling, renting or using property belonging to a PCC member or connected person;
- making a loan to or from a PCC member or connected person;
- accepting significant gifts or hospitality;
- reimbursing costs that may go beyond reasonable out-of-pocket expenses.

Reasonable out-of-pocket expenses properly incurred in carrying out church duties may normally be reimbursed in accordance with St Peter's financial procedures. Payments, benefits or contracts involving PCC members or connected persons require particular care and may need specific authority under the governing document, charity law or Charity Commission guidance.

Benefits that are available to all, or that are of insignificant or little measurable value, will not normally require special authorisation. However, where there is any doubt, the matter should be declared and advice sought.

Conflicts of loyalty

A conflict of loyalty may arise where a person's duty to St Peter's could be affected by loyalty to another person, organisation or interest.

Examples include:

- being a trustee, employee, officer or committee member of another charity, church, school, business or community organisation;
- involvement with a group applying to use church premises, receive funding or enter into partnership with St Peter's;
- close personal, family, pastoral, employment or business relationships;
- involvement in decisions affecting friends, relatives, colleagues, employers or organisations with which the person is closely connected.

Other charity, church, school, business or trustee roles should normally be declared where they could reasonably be relevant to a person's role at St Peter's.

Perceived conflicts

A perceived conflict arises where a reasonable person might think that someone's judgement could be influenced, even if the person believes they can act impartially.

Perceived conflicts should be taken seriously. If in doubt, the interest should be declared.

5. Connected persons

For the purposes of this policy, a connected person may include:

- a spouse, civil partner or partner;
- a child, parent, sibling or other close relative;
- a close friend;
- a business partner, employer, employee or colleague;
- a company, charity, school, church, trust or organisation in which the person has significant influence, employment, membership, trusteeship, ownership or financial interest.

This list is not exhaustive. The guiding principle is whether the relationship or interest could affect, or appear to affect, the person's judgement when acting for St Peter's.

6. Declaring interests

PCC members, staff and others covered by this policy must declare interests promptly and honestly.

Declarations should be made:

- annually, using St Peter's Declaration of Interests Form;
- at the start of any PCC, committee or working group meeting where a relevant matter may arise;
- as soon as a person becomes aware of a new or changed interest;

- before taking part in any decision, discussion, appointment, contract, payment or other matter where an actual, potential or perceived conflict may exist.

Declaration of conflicts of interest should be a standing agenda item at PCC meetings and should normally be included, where relevant, on committee and project group agendas.

If a person is unsure whether something is a conflict, they should declare it anyway and seek guidance from the Chair, Vicar, churchwardens, PCC Secretary or another appropriate person.

7. Managing conflicts

The person chairing the meeting, with the PCC or relevant body where appropriate, should decide how the conflict will be managed.

Depending on the nature and seriousness of the conflict, the person may be asked to:

- remain in the meeting while the matter is discussed;
- provide relevant factual information, then withdraw;
- withdraw from discussion;
- withdraw from decision-making;
- withdraw from voting;
- receive limited or redacted papers;
- take no part in negotiations, appointment processes, contract discussions or implementation;
- step back from a role, project or responsibility.

Where a PCC member or connected person may receive a financial benefit, payment, employment, contract or other material benefit, the conflicted person should normally withdraw from discussion and decision-making. The PCC must ensure that any such arrangement is properly authorised before proceeding.

Where a person has a conflict of loyalty that creates a real risk of bias, or where their involvement could reasonably undermine confidence in the decision, they should normally withdraw from the discussion and decision.

Where the conflict is minor, remote or low-risk, it may be sufficient to declare and record the interest, provided the Chair and meeting are satisfied that the person can properly participate.

Where the conflict is significant, repeated or difficult to manage, the PCC may need to seek diocesan, legal, Charity Commission or other appropriate advice.

8. Staff, employment and connected persons

Decisions about employment, pay, terms, performance, discipline, grievance, appointment or dismissal must be handled carefully and without improper influence.

A person must not take part in decisions about their own employment, pay, terms, performance, discipline or grievance, or those of a connected person.

Where a staff member is also a PCC member, or is connected to a PCC member, the conflicted person must not seek to influence discussion or decisions about the relevant employment matter.

Employment matters should be handled through the appropriate employment structures, with suitable confidentiality and advice where needed.

9. Gifts, hospitality and personal benefit

Those covered by this policy should not accept gifts, hospitality, favours or personal benefits that could influence, or appear to influence, their judgement when acting for St Peter's.

Small tokens of appreciation may be acceptable where they are modest, occasional and unlikely to influence a decision. Significant gifts, hospitality, payments or benefits should be declared.

No one should use their position, role, access, information or influence at St Peter's for improper personal advantage or the advantage of a connected person.

10. Recording conflicts

The PCC Secretary, committee secretary or other person keeping the record should ensure that conflicts are recorded clearly.

The record should normally include:

- the name of the person with the interest;
- the nature of the interest;
- whether the conflict is actual, potential or perceived;
- how the conflict was managed;
- whether the person withdrew from discussion or decision-making;
- the decision made and the reasons for it where relevant.

Annual declarations should be kept securely as St Peter's Register of Interests.

11. Confidentiality and data protection

Information about interests will be handled carefully and in accordance with St Peter's Data Protection Policy, Privacy Notice and Data Retention Policy.

Information will be used for proper governance, legal, financial and accountability purposes, including ensuring that PCC members and others act in the best interests of St Peter's. The information will not be used for unrelated purposes.

Access to declarations and the Register of Interests should be limited to those who need it for proper church purposes.

12. Failure to declare or manage a conflict

Failure to declare or properly manage a conflict may be treated seriously.

Depending on the circumstances, the response may include:

- clarification, advice or training;
- correction of the meeting record;
- reconsideration of a decision;
- withdrawal from a role, discussion or decision;
- referral to the PCC, Standing Committee, churchwardens, diocesan officers, Charity Commission or other appropriate body;
- action under employment, safeguarding, complaints, whistleblowing or disciplinary procedures where relevant.

Action should be taken carefully, proportionately and with appropriate advice.

13. Related policies and documents

This policy should be read alongside, where applicable:

- Code of Conduct;
- Finance Policy and financial procedures;
- PCC trustee responsibilities;
- PCC Handbook;
- Staff Handbook and employment policies;
- Volunteer Policy;
- Whistleblowing Policy;
- Complaints Policy;
- Data Protection Policy;
- Privacy Notice;
- Risk Register and relevant risk assessments;
- Church of England, diocesan and Charity Commission guidance.

14. Review

This policy will be reviewed by the PCC every two years, or sooner if required by changes in law, Charity Commission guidance, Church of England guidance, diocesan guidance, parish practice or governance need.

The PCC is responsible for ensuring that this policy remains legally responsible, pastorally wise, practically useful, and consistent with the doctrine and discipline of the Church of England and the charitable responsibilities of St Peter's.

Conflict of Interest Policy

St Peter's expects those who serve, lead, work, govern, volunteer or act on behalf of the church to act honestly, transparently and in the best interests of the church.

A conflict of interest may arise where someone's personal interests, financial interests, relationships or loyalty to another organisation could affect, or appear to affect, their judgement.

Conflicts are not always wrong, but they must be declared, managed and recorded. If in doubt, declare it.

PCC members have particular responsibilities as charity trustees. They must act in the best interests of St Peter's and must not use their position for improper personal benefit or the benefit of connected persons.

Interests should be declared annually, at the start of relevant meetings, and whenever a new conflict arises. Depending on the situation, a person may need to withdraw from discussion, decision-making or voting.

St Peter's will keep a Register of Interests and will handle information carefully and securely.

Appendix 1: Declaration of Interests Form

St Peter's, Colchester

Financial year: [insert year]

This form should be completed by PCC members and by others where requested. Please include interests relating to yourself and, where relevant, connected persons such as close family members, partners, close friends, business partners, employers, employees, or organisations in which you have significant influence.

If in doubt, include it.

Name:

Role / position:

Date completed:

1. Trusteeships, directorships and governance roles

Please list trusteeships, directorships, governorships, PCC roles, committee memberships, or similar roles in other charities, churches, schools, companies or organisations.

Details:

2. Employment, business and professional interests

Please list employment, self-employment, business interests, professional roles, partnerships, consultancies, or companies that may be relevant to your role at St Peter's.

Details:

3. Membership of other organisations

Please list membership of organisations, networks, committees or groups that may be relevant to your work, trusteeship, leadership, employment or volunteering at St Peter's.

Details:

4. Financial interests, contracts or payments

Please list any actual or potential financial interests involving St Peter's, including payments, contracts, property, loans, services, employment, expenses beyond ordinary reimbursement, or other financial arrangements involving you or a connected person.

Details:

5. Gifts or hospitality

Please list any significant gifts, hospitality or benefits received in connection with your role at St Peter's.

Details:

6. Close personal, family or other relationships

Please list any close personal, family, pastoral, employment, business or other relationship that may give rise to an actual, potential or perceived conflict of interest.

Details:

7. Other matters

Please list anything else that could affect, or appear to affect, your judgement when acting for St Peter's.

Details:

Declaration

I confirm that the information given above is accurate to the best of my knowledge. I will declare any new or changed interests promptly.

Signed:

Name:

Date: