

CONFLICT OF INTEREST POLICY

All Souls Parish Church Harlesden

Definition

A conflict of interest is when a person cannot make a fair decision or reach a fair conclusion because they will be affected by the outcome. “Fair” could be interpreted as “unbiased”. “Affected” could be interpreted either positively or negatively.

The Trustees

At any given time, these are the elected members of All Souls Parochial Church Council (PCC), the Clergy and any ex-officio members of the PCC.

Policy Statement

Trustees of the Parish have a duty to act in the best interests of the Parish and must not use their position as trustees to their benefit. Conflicts of interest occur when a trustee’s personal or business interests or the interests of any person or organisation to which the trustee is connected conflict, or have the potential to conflict, with the interests of the Parish. Trustees must avoid all situations that could possibly lead to a conflict of interest, and they have a legal duty to declare any conflict of interest as soon as such a conflict arises.

The purpose of the Policy is to provide a procedure enabling trustees to recognise situations that can lead to potential or actual conflicts of interest and to create a clear and transparent process for declaring and managing such conflicts. All trustees and potential trustees are to be made aware of the Policy and the need to encourage transparency. The Policy is made available on the Parish website.

Examples of Conflicts of Interest

This is not an exclusive list, and trustees should always exercise their own judgment. A conflict of interest may arise in situations where there is potential for:

- Direct financial gain or benefit. Such circumstances might include:
 - a paid employee of the Parish becoming a trustee;
 - the Parish employing a trustee;
 - paying an organisation in which a trustee has a financial interest for services to the Parish;
 - paying a trustee for work they carry out as part of the duty or duties of a trustee;
 - selling or loaning the Parish property (e.g., equipment, land) to a trustee;
 - a trustee providing a loan (financial or other) to the Parish.
- Indirect financial gain or benefit. This might include the employment of any relative of a trustee by the Parish, as the trustee might benefit directly or indirectly from any payment.

- Non-financial gain. This might include favourable treatment of a trustee when using the services of the Parish, such as being given preferential treatment over non-trustees.
- Conflicts of loyalty or duty. These could arise for a trustee if:
 - a partner, relative or friend were to be employed by the Parish;
 - that trustee is also a trustee, employee or member of another organisation that has dealings with or competes with the Parish - e.g., in a bid for funding.

Authorisation for a trustee to receive a benefit

Conflicts of interest often arise when a trustee stands to profit or benefit directly or indirectly through their role as a trustee. There are limited circumstances where a benefit may not require such formal authority, e.g., reasonably incurred expenses.

- Benefits which are publicly available to anyone and not just to a trustee will not, in general, require formal authorisation.
- The number of trustees who could receive any benefit from the Parish at any time, either directly or indirectly, should be in the minority.
- Payments or benefits of any kind payable to a benefiting trustee shall be fair and reasonable for the service provided and shall not exceed those which the Parish might pay to any external agency.
- Any trustee with a conflict of interest will be precluded from signing any contract or invoice connected with the conflict.
- Those holding official positions (e.g., secretary, treasurer, etc.) are precluded from receiving any benefit as any conflict of interest would most likely clash with their official role.
- All benefits will be recorded in the Parish's Annual Report and accounts.

Procedures for dealing with conflicts of interest (actual and potential):

- Any conflict of interest arising during the year should be declared immediately.
- Wherever possible, trustees must declare any potential conflicts at the beginning of the actual meeting. If a conflict of interest arises during a meeting (perhaps unexpectedly), the trustee or trustees should immediately declare it.
- Any trustee or trustees with a conflict of interest must withdraw from the discussion and may not vote on it. This issue is to be recorded in the minutes.
- To ensure transparency, a trustee with a conflict of interest is usually asked to withdraw from the meeting so that it cannot be claimed that they influenced the discussion or the final decision in any way. However, relevant information may be sought from any trustee prior to such withdrawal.
- A trustee withdrawing from either the discussion or the meeting owing to a conflict of interest is not included in the quorum and may, therefore, make the meeting inquorate: in such a situation, any voting or decision-making should be held over until the next quorate meeting.
- Conflicts of interest and resulting actions will be recorded in the minutes.

Each and every trustee is responsible for declaring any matters that may present any actual or potential conflict of interest. If any trustee is uncertain whether any matter comprises a conflict, they should declare this to the other trustees. If necessary, those latter trustees

should seek advice from the Charity Commission. Such advice and any subsequent action will be recorded in the minutes.

Should it be found that a conflict of interest has damaged or may damage the reputation or standing of the Parish within the church membership, the wider community or elsewhere, the trustee/trustees concerned may be asked to take action to put an end to the situation, if necessary, by offering his/her/their resignation/s from trusteeship.

This Policy was last discussed and approved by the Parochial Church Council (PCC) on 11th September 2024

Signed: *Rev'd Dr Adam Dobrzynski*