

Conflict of Interests Policy¹

1. There is a general duty on each member of the PCC to avoid a conflict with the interests of St. John's Church, Kenilworth (St John's). Members should avoid a situation in which:

they have, or can have, a direct, or indirect, interest which conflicts, or may possibly conflict, with the interests of St. John's.

2. There is no issue where the situation:

- cannot reasonably be regarded as giving rise to a conflict of interests, because the member's potential interest is so indirect or remote that no reasonable person would see a problem;
- has been authorised by the rest of the PCC, due to the nature of the member's interest.

3. There is a duty to declare an interest where a potential or actual conflict of interests arises, in advance of the proposed transaction or arrangement being decided by the PCC and entered into.

4. There is no requirement to disclose if:

- the interest could not reasonably be deemed to give rise to an actual or potential conflict of interests;
- the rest of the PCC are already aware (or have been made aware) of the situation (in which case the chairperson of the meeting, or other authorised officer, will remind the meeting of this);
- the member is unaware of an actual or potential conflict of interests at the time that the relevant item is discussed.

5. If a PCC member discovers at a later date that they had a potential or actual conflict of interests when a matter was discussed and decided on, they should disclose this immediately to a member of the Standing Committee of the Church.

6. It is intended that this policy applies primarily to PCC members, Churchwardens, and Incumbent. By extension, it is also considered good practice for the following to adhere to the principles: Other Clergy and retired Clergy, other unpaid staff (Readers, NSM, OLM, etc), paid staff and volunteer staff exercising positions of leadership on behalf of St. John's which might lead to an actual or potential conflict of interests.

7. Disclosure should be made to the Churchwardens, PCC Secretary, PCC Treasurer or Chairperson of the relevant meeting where a matter is to be discussed or decided or when a situation arises in which a potential or actual conflict of interests (as defined in this document) may exist.

8. If a breach of the policy is subsequently found to have taken place and to have existed when a particular decision was being made, that decision is not *automatically* invalid (since the breach may have been, for example, accidental). In such a case, the reason for the conflict of interests and the breach will be investigated (see below). If the decision was found (in the opinion of the Standing Committee, or other nominated body set up for this purpose)

¹ Amended and accepted by PCC on 25 July 2018

to have been influenced by the person concerned, the matter may be brought back to the PCC.

9. A breach of this policy may result in the Church investigating the situation specific to that particular case, by appointing responsible members to act on its behalf. The Church reserves the right to take appropriate action should the appointed members believe that the circumstances warrant it. This may include taking legal advice and/or making a formal submission to the Charities Commission and to the Diocese.

Procedure for managing a Conflict of Interests

When a matter is to be discussed or a decision taken at a PCC meeting and the Chairperson of the meeting has decided, or been informed by a member or members of the Standing Committee, that a conflict of interests could arise:

- the person (people) in question may be asked to leave the meeting for the duration of the discussion and voting process; or
- the person (people) in question may be allowed to remain in the meeting to the extent requested by the rest of the PCC, to hear the debate and see the result of the vote, but not to take part or influence others.
- a person identified as having a conflict of interests in this way will not form part of the number required to make a quorum for the meeting or for the decision in question, whether they are asked to leave or are allowed to attend the matter being debated/decided.

In other situations (outside the PCC), the directions in sections 6 and 7 above must be followed. The basic premise should be: "If in doubt, it would be best to ask someone."

What is a conflict of interest?

A conflict of interest may arise where an individual's personal interests or their interests in the activities of third parties coincide (or appear to coincide) with their duty to St John's, such that the individual could be perceived as influencing St John's decision-making, strategy or operations for personal gain. Conflicts of interest may arise in many circumstances and the following list is for illustration purposes only and should not be regarded as exhaustive. It should also be noted that these circumstances may not necessarily represent a conflict of interests in all cases.

- direct financial gain e.g. negotiations concerning and/or award of a contract to an organisation in which the individual has an interest and from which he/she will receive a financial benefit; paid consultancies and/or directorships, shareholdings and/or royalty income arising out of an employee's duties within St. John's;
- direct financial gain by related third parties e.g. where the benefits described above are received not by the member of staff but by a close member of his/her family and/or his/her household;
- the use of St. John's facilities to pursue personal and/or business purposes whether or not they are related to church business;
- receipt of significant gifts or hospitality from third parties that may influence the judgement or objectivity of the individual concerned or conflict with his/her duties to St. John's. For the avoidance of doubt any gifts or hospitality aggregating less than £50 in any calendar month shall be regarded as de minimis and be disregarded.

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For the avoidance of doubt, reimbursement of expenses issued in relation to work done on behalf of the Church and authorised by the PCC is excluded from the above.

Purpose of this policy

The purpose of this policy is to ensure that all people in positions of responsibility should behave in a way that is honest, objective, and honouring to God. It is also to protect those same post-holders by demonstrating publicly that the Church operates a policy that promotes integrity, honesty, objectivity, accountability and transparency and has procedures to effect this.

Change History

This policy was written in September 2008. It was re-approved by the PCC of St John's Church, Kenilworth on 13 December 2016, amended and re-approved on 25 July 2018 and will be reviewed annually.

Appendix 1 – extract from “A Guide to Conflicts of Interest for Charity Trustees”

(Version 03/04)

The [Charities] Commission expects trustees to be able to identify conflicts of interest when they arise and to ensure, if they receive a material benefit as a result of the conflict of interest, that the benefit is authorised. The Commission will provide authority where there are clear advantages to the charity.

If there is no material benefit to a trustee, no authority will be required, but the trustees will need to ensure that the conflict of interest is properly managed.

Where we find, or are alerted to, an unauthorised benefit, the action we take will depend on the extent of the benefit and conflict of interest and the impact which it has on the charity. We will also take into account other factors, such as the reason why the trustees did not obtain authority. We are likely to be more supportive if the trustees can show that the failure to obtain authority was an oversight. However, we will generally not take a sympathetic line where we have previously advised the trustees that the benefit needs to be authorised or where a solicitor is acting for the trustees.

Where the arrangements are in the interests of the charity we will give advice on the management of conflicts of interest and the authorisation of future benefits to trustees. However, we will open a formal inquiry, with the possibility that we might use our statutory powers, in cases where trustees appear to have placed their personal or other interests ahead of those of the charity in order to derive significant benefit at the charity's expense, and where they have deliberately ignored the requirements of the law or of previous advice.