

St Michael and all Angels', Sandhurst, Parochial Church Council (PCC)

Conflict of Interest and Related Parties Policy

Part 1 Business concerning Financial Transactions

Introduction

The PCC is aware of its duty to recognise related parties and conflicts of interest within the PCC. This policy formalises the process within the PCC to ensure every Trustee of the PCC is aware of their own obligations to disclose.

It should be noted that these matters concern only business concerning financial transactions, and do not apply to matters such as ensuring smooth operations etc.

Background

The accounting framework for charities (SORP) requires:

"A decision by a charity to enter into any transaction must be made in the charity's own interests and for the benefit of its beneficiaries.

Users of the accounts need to be able to assess whether the relationship between the charity and the other party or parties to a transaction may have been influenced by interests other than those of the charity. Disclosing related party transactions also shows how far, if at all, the reported financial position and activities may have been affected by such transactions.

Related parties include a charity's trustees and their close family members and those entities which they control or in which they have a significant interest.

If a person has significant influence over a charity's decision-making or if a charity acts on their instructions, then that person must be treated as related to the charity."

Process

1. At the first PCC meeting after the APCM, where the new PCC members are inducted, each PCC member will be made aware of their personal responsibility to disclose, and will be asked to declare any potential conflicts or related parties which will be recorded by the Secretary and minuted.
2. A standing item of business at the start of each meeting will be introduced to ask PCC members to declare any conflicts or related parties for that meeting's agenda. The obvious significant items, such as those above, will be a standing minute for each meeting so as to focus the minds of those present on "what else" might represent a conflict or related party.
3. The Independent Examiner receives all minutes of the PCC and will review these to ensure all material matters are declared in the accounts.

Part 2: Safeguarding and Conflicts of Interest

All church officers (defined as someone who is appointed by the church to a particular role) including PCC members need to be aware of, and manage any conflict of interest relating to Safeguarding. Safeguarding is a standing item at all PCC meetings and consequently there may be times when we need to discuss issues relating to particular instances of safeguarding

What are conflicts of interest?

- Within this policy, conflicts of interest include situations of potential or actual risk that the judgement, decision-making and commitment of a Church Officer has been (or may be) affected by secondary issues. These can include:
 - Familial relationships, for example, with a respondent or someone who has reported abuse.
 - Social ties – for instance friendships or godparentships - to a respondent or to someone reporting abuse.
 - Professional connections to a respondent or a victim or survivor, which may affect the ability or desire of the church officer to prioritise the safety and wellbeing of a victim or survivor or reach an impartial judgement about the issues.
 - Financial relationships with a respondent, or a victim or survivor.
 - A church officer member having personal or material interests in the outcome of the process.
- People in these situations may become conflicted or feel that they have a conflict of interest because:
 - Their relationship to a respondent or a victim or survivor may lead to a perception of conflict of interest or an actual conflict may arise from their loyalty to the person(s).
 - They may be providing pastoral or spiritual support to a respondent or a victim or survivor; making it difficult for them to exercise impartial judgement or that there may be the perception that this is the case.
 - Professionally, they are the line manager of the respondent or the victim or survivor and they are concerned that they do not have the requisite distance and impartiality from the matter being considered by the PCC.
 - They may be competitors with the respondent or the victim or survivor for role(s) within the Church or Church Body – this can lead to concerns that they will not exercise impartiality.
 - In the past they have initiated disciplinary action or other performance-management related processes in respect of the respondent or the victim or survivor and so they may be concerned that they do not have the necessary distance from the matter.

Guiding principles

- The safeguarding needs of people in all Church Bodies should be of paramount consideration to all Church Officers. To do this, people involved in safeguarding must be objective about what 'safeguarding' means and take an impartial approach.

Procedures

- When a conflict of interest is declared, the Chair should ensure that it is recorded in the minutes of the meeting.

Approval and Review

This policy will be reviewed every year by the PCC to ensure it meets current legislation and guidance and is appropriate to the needs of the parish.

This policy was approved and adopted by the PCC at its meeting on Wednesday, 12th January 2022.

Signed: _____ **Rector**

Signed: _____ **Churchwarden**

Signed: _____ **Churchwarden**