

## **Conflicts of interest policy**

This policy applies to Executive members (directors and trustees) and staff. It also covers the receipt of gifts and hospitality.

### **The context**

A conflict of interest or loyalty arises where an Executive or staff member's personal interests or loyalties, or the interests or loyalties which that Executive or staff member owes to another body, arise at the same time. Executive and staff members must manage any situation where they have the potential to benefit personally from their position or to be influenced by conflicting loyalties. Executive members have a legal obligation to act in the best interests of the Association of English Cathedrals (AEC) and in accordance with the Articles of Association.

Interests can be financial or non-financial and direct or indirect<sup>1</sup>. A conflict of loyalty arises where an Executive or staff member's decision-making is influenced by another appointment, employment or association of that member. Each Executive and staff member is responsible for declaring actual or potential conflicts or the reasonable perception of such conflicts, as conflicts can:

- prevent open discussion;
- result in decisions or actions which are not in the best interests of the AEC; and
- result in the impression that the Executive and staff members have not acted properly.

The policy for dealing with conflicts is set out below.

### **The policy**

The aim of this policy is to protect the AEC and Executive members and staff from the risks associated with conflicts of interest or loyalty and any appearance of impropriety.

Upon appointment each Executive and staff member will make a full, written disclosure of interests that could potentially result in a conflict of interest, using the form at Appendix A. This written disclosure will be kept on file and will be updated annually at the Executive meeting following the Annual General Meeting. Executive and staff members should also update their declarations when any material change occurs. If there is any uncertainty about what to declare, or whether or when a declaration needs to be updated, it is best to err on the side of caution.

In the course of meetings or activities, Executive members will declare promptly at the earliest possible opportunity any perceived or real conflict of interest. If in doubt, the potential conflict must be declared and clarification sought.

- An Executive member who has a financial interest in a matter under discussion should declare the nature of their interest and withdraw from the meeting, unless they have been given permission by the Chair to stay and either speak or not as the case may be, or unless

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<sup>1</sup> An indirect benefit is one which accrues to a close member of the Executive member's family, a business colleague or other close relationship.

the other Executive members present give such permission. Such an Executive member may not vote.

- An Executive member who has any interest in a matter under discussion, which creates a real or perceived risk of bias, should declare the nature of the interest and withdraw from the meeting, unless they have been given permission by the Chair to stay and either speak or not, as the case may be, or unless the other Executive members present give such permission. Such an Executive member may not vote.
- An Executive member who has any other interest which does not create a real risk of bias, but which might reasonably cause others to think it could influence their decision, should declare the nature of the interest, but may remain in the meeting, participate in the discussion and vote subject to the agreement of the other Executive members present.

The Charity Commission's permission will be sought before a benefit for an Executive member may be authorised that is not otherwise authorised in the Articles or already authorised in writing from the Commission.

All decisions under a conflict of interest will be recorded and reported in the minutes of the meeting. The report will record:

- the nature and extent of the conflict;
- an outline of the discussion; and
- the actions taken to manage the conflict.

The Executive Director, as company secretary, will take special care to ensure that minutes or other documents relating to the item presenting a conflict are appropriately redacted for the person facing the conflict. A balance needs to be struck to ensure that the person still receives sufficient information about the activities of the AEC generally without disclosing sensitive information that could place the individual in an untenable position.

Where an Executive member benefits from a decision, this will be reported in the annual report and accounts in accordance with the current Charities SORP. All payments or benefits in kind to Executive members will be reported in the annual report and accounts, with amounts for each Executive member listed for the year in question.

Where a member of the AEC's staff is connected to a party involved in the supply of a service or product to the charity, this information will be fully disclosed in the annual report and accounts.

If an Executive or staff member is in any doubt about the application of this policy, they should heed the spirit as well as the wording of the policy and consult the Chair.

### **Gifts and hospitality**

The AEC has a policy to deal with personal gifts or hospitality provided to Executive and staff members. This protects Executive and staff members against the accusation that such gifts or hospitality are intended to influence the decisions they take in administering the AEC's affairs.

- All gifts to and hospitality for Executive and staff members should be declared on the Declaration of Interests form. The information recorded should include its estimated value, the date on which it was received, who it was given by and the reason for the gift.
- Gifts and hospitality should never be solicited.

- Gifts and hospitality with a value of under £100 can be accepted providing that the gift or hospitality is not given or accepted with an expectation that there is any obligation owed as a result of the gift.
- Where a gift or hospitality is received or offered which exceeds the value of £100 the hospitality should be declined or the gift be returned to the sender, the market price should be paid or the gift should be donated to a charitable organisation as appropriate.
- Monetary gifts of any value should NEVER be accepted.
- Gifts and hospitality intended or perceived to influence the decisions of Executive or staff members should NEVER be accepted.

### **Managing contracts**

Any Executive or staff member with a conflict of interest must not be involved in managing or monitoring a contract in which they have an interest. Monitoring arrangements for such contracts will include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

### **Data protection**

The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 2018. Data will be processed only to ensure that Executive members and all staff act in the best interests of the AEC. The information provided will not be used for any other purpose.

Approved by the Executive Committee  
27 January 2021

## DECLARATION OF INTERESTS FORM

**Name:**

**Role:**

I have set out below my interests in accordance with the AEC's conflicts of interest policy.

<b>Category</b>	<b>Please give details of the interest and whether it applies to you or, where appropriate, a member of your immediate family, connected persons or some other close personal connection</b>
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments (voluntary or otherwise) e.g. trusteeships, directorships, local authority membership, tribunals etc.	
Membership of any professional bodies, special interest groups or mutual support organisations.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings (5% or more of issued capital) and beneficial interests	
Gifts or hospitality offered to you by external bodies and whether this was declined or accepted in the last twelve months.	
Any contractual relationship with the charity or its subsidiary	
Any other conflicts that are not covered by the above	

**Declaration:**

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the conflicts of interest policy and for no other purpose.

Signed: .....

Date: .....