EMMANUEL
loughborough

# Trustees Conflicts of Interest Policy

**Date of Policy: October 2026 | Review Date: October 2028**

## 1. Purpose and Scope

The Parochial Church Council (PCC) of Emmanuel Loughborough owes a legal duty of care to the charity. This policy applies to all PCC trustees (both elected and ex-officio), co-opted members, and members of any sub-committees.

The purpose of this policy is to protect both the integrity of Emmanuel Church and its trustees. It ensures that all decision-making processes are, and are seen to be, completely free from personal bias and do not unfairly favour any individual, business, or connected institution.

## 2. Defining a Conflict of Interest

A conflict of interest arises when the best interests of an individual trustee are, or could be, different from the best interests of the PCC itself. This includes:

- Financial Conflicts: Direct or indirect financial gain, such as employment by the PCC, receiving a contract for goods/services, or renting property to/from the church.
- Loyalty Conflicts: Non-financial conflicts where a trustee's loyalty to another person, charity, political group, or employer competes with their duty to the PCC.
- Connected Persons: A conflict exists if it affects the trustee directly, or indirectly through a "Connected Person". This includes spouses, civil partners, children, parents, wider relatives, close personal friends, or business partners.

## 3. The 5-Step Compliance Framework

The PCC manages all conflicts of interest using a strict five-step lifecycle:




Step 1: Identify

- Trustees must remain continuously vigilant regarding potential conflicts.
- A Declaration of Interests form must be completed by every trustee annually, immediately following the Annual Parochial Church Meeting (APCM).
- A declaration of conflicts must be a standing item at the start of every single PCC and sub-committee agenda.

Step 2: Declare

- Trustees must declare any potential or actual conflict as soon as they become aware of it. This must happen before or immediately during the meeting item in question.
- If a trustee is unsure whether a conflict exists, they must err on the side of caution and declare it, or seek confidential guidance from the Chair.

Step 3: Consider Removing

- The unconflicted trustees must consider whether the conflict is so severe or pervasive that the only way to protect the charity is to remove the conflict entirely.

- This may involve the trustee resigning from the conflicting outside role, or ultimately, resigning from the PCC.

Step 4: Manage
If the conflict is not removed, it must be managed with strict boundaries:

- The affected trustee must physically leave the room during all related discussions, evaluations, and decision-making processes.
- The trustee shall not take part in any votes or consensus-building on the matter.
- The trustee cannot be counted in the quorum for that specific portion of the meeting.
- Any statutory transactions (such as buying goods from a trustee under the *Charities Act 2022*) must be checked against legal thresholds to ensure clear charity benefit.

Step 5: Record
The PCC Secretary must formally record the conflict in two places:

1. The Conflicts of Interest Register: A central log updated continuously to track ongoing relationships and disclosures.
2. Meeting Minutes: Individual meeting minutes must explicitly state:
    - The name of the trustee and the exact nature of the declared conflict.
    - That the trustee physically left the room during the discussion and vote.
    - That the remaining meeting remained quorate without counting the affected trustee.
    - The rationale behind the final decision, demonstrating it was made purely in the best interests of Emmanuel Church.

**4. Failure to Declare**
Failing to declare a known conflict of interest constitutes a serious breach of trust and governance. If it is discovered that a conflict was intentionally concealed:

- The PCC will conduct a formal internal review led by the Chair (or Vice-Chair if the Chair is conflicted).
- Any decisions or contracts ratified under the un-declared conflict may be voided.
- The matter may be escalated to the Diocese and, where necessary, reported to the Charity Commission as a Serious Incident.

**Incumbent** .....

**Churchwarden** .....

**Churchwarden** .....

**Date** 5/10/26