*Below is a sample Conflict of Interest Policy for use by Church Congregations and Parishes.*

*Please amend as necessary for your situation. It is recommended that this policy be reviewed every two years by the Church/Parish Council.*

*If you have questions about this policy please contact the District Office.*

**[Congregation/parish]**

**Conflict of interest policy**

**1. Purpose**

The purpose of this policy is to help Church Council members of **[congregation/parish name]** to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of [insert name of congregation/parish] and manage risk.

**2. Objective**

The **[congregation/parish] [council/sub-council]** (called the ‘council’ in this policy) aims to ensure that council members are aware of their obligations to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of **[congregation/parish]**.

**3. Scope**

This policy applies to the council members of **[congregation/parish]**.

**[It may be appropriate for your policy to apply to other people who work within the congregation/parish or for the congregation/parish, for example, managers. If you include people other than council members, you will need to change the policy to take this into account.]**

**4. Definition of conflicts of interests**

A conflict of interest occurs when a person’s personal interests conflict with their responsibility to act in the best interests of the congregation/parish. Personal interests include direct interests as well as those of family, friends, or other organisations a person may be involved with or have an interest in (for example, as a shareholder). It also includes a conflict between a council member’s duty to **[congregation/parish]** and another duty that the council member has (for example, to another congregation/parish). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the congregation/parish and must be managed accordingly.

**5. Policy**

This policy has been developed because conflicts of interest commonly arise, and do not need to present a problem to the congregation/parish if they are openly and effectively managed. It is the policy of the [congregation/parish] as well as a responsibility of the council, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to **[congregation/parish]**.

**[Congregation/parish]** will manage conflicts of interest by requiring council members to:

* avoid conflicts of interest where possible
* identify and disclose any conflicts of interest
* carefully manage any conflicts of interest, and
* follow this policy and respond to any breaches.

**5.1 Responsibility of the council**

The council is responsible for:

* establishing a system for identifying, disclosing and managing conflicts of interest across the congregation/parish
* monitoring compliance with this policy, and
* reviewing this policy on an annual basis to ensure that the policy is operating effectively.

The congregation/parish must ensure that its council members are aware of the ACNC governance standards, particularly governance standard 5, and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.

**5.2 Identification and disclosure of conflicts of interest**

Once an actual, potential or perceived conflict of interest is identified, it must be entered into **[congregation/parish]**’s register of interests, as well as being raised with the council. Where all of the other council members share a conflict, the council should refer to governance standard 5 to ensure that proper disclosure occurs. The register of interests must be maintained by **[person/role]**, and record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

**Confidentiality of disclosures**

**[Details of who will have access to the information disclosed, such as restricting to council members. It may also be necessary to provide for an alternative disclosure mechanism if additional restrictions on disclosure are required.]**

**6. Action required for management of conflicts of interest**

**6.1 Conflicts of interest of council members**

Once the conflict of interest has been appropriately disclosed, the council (excluding the council member disclosing and any other conflicted council member) must decide whether or not those conflicted council members should:

* vote on the matter (this is a minimum),
* participate in any debate, or
* be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a council member from regularly participating in discussions, it may be worth the council considering whether it is appropriate for the person conflicted to resign from the council.

**6.2 What should be considered when deciding what action to take**

* In deciding what approach to take, the council will consider whether the conflict needs to be avoided or simply documented
* whether the conflict will realistically impair the disclosing person’s capacity to impartially participate in decision-making
* alternative options to avoid the conflict
* the congregation/parish’s objects and resources, and
* the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the congregation/parish.

The approval of any action requires the agreement of at least a majority of the council (excluding any conflicted council member/s) who are present and voting at the meeting. The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

**7. Compliance with this policy**

If the council has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the council may take action against them. This may include seeking to terminate their relationship with the congregation/parish.

**[Insert any other relevant sanctions that are proportionate to the seriousness of a breach]**

If a person suspects that a council member has failed to disclose a conflict of interest, they must **[relevant action, such as: discuss with the person in question, notify the council, or the person responsible for maintaining the register of interests]**.

**Contacts**

For questions about this policy, contact the council or **[person/role]** by **[contact details]**.

Last Review Date:

Next Review Date: