A Note for DAC Members and Advisers Regarding Conflicts of Interest

The following note is intended as guidance for Diocesan Advisory Committee Chairmen, Secretaries, members and advisers in identifying potential conflicts of interest which may arise during the course of DAC work and the appropriate response following declaration of such an interest.

The purpose of declaring an interest is to "...avoid any danger of members being influenced, or appearing to be influenced, in the exercise of their duties as a member, by their private interests or the interests of those persons or bodies they are closely connected with." (Archbishops' Council Code of Conduct).

DAC advisers are expected to abide by The Seven Principles of Public Life (also known as the Nolan Principles), Where it is stipulated that holders of public office "have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest." The seven principles are as follows:

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs

Declarations of interest are desirable because they disclose factors which may be relevant to the way in which an member/adviser's arguments may be heard and evaluated by other DAC members. As the *House of Lords Code of Conduct* puts it, the practice of declaring a relevant interest "...is necessary in order that [the] audience may form a balanced judgement of the arguments." Members/advisers who contribute to debates or other DAC business should therefore declare an interest which could reveal a conflict of loyalty, or which could otherwise affect other DAC members' ability to form a balanced judgement of their arguments.

Potential conflicts of interest are generally handled in two ways: registration in a Register of Interests, or oral declaration of interests at a meeting if it is relevant in the context of the matter under consideration. In the work of DACs, where local knowledge is at a premium, it is likely members/advisers may have substantial (and constantly changing) indirect contact with churches, in particular, for example, archdeacons and professionals such as architects. For this reason, DACs may feel it unhelpful to maintain a Register. Where this is so, it becomes essential to ensure that any potential conflicts are raised orally. Conflicts of interest meriting particular mention are:

- Financial interest, direct or indirect
- Personal non-financial interests, including those which arise from membership or holding office in the Church and other bodies. In the work of the DAC, the most common interest is likely to arise when a member/adviser is incumbent or priest in charge of the parish in question or when a member/adviser is professionally involved with any aspect of the matter under discussion, e.g. architect, artist, conservator. Financial interest can also include circumstances where a business partner or colleague is directly involved, particularly where the practice is small.

Any oral declaration of interest, including the reason for it, should be raised before the matter to which it relates comes forward for discussion. Once a declaration has been made, the member/adviser should generally withdraw from the meeting while the item is under discussion. The declaration, reason and subsequent action should be recorded in the minutes of the meeting. For example, 'Mr Smith declared an interest in the next item as the incumbent of the parish and left the meeting for the duration of the discussion'.

Exceptionally, the Chair may feel that there are circumstances where a member/adviser could remain in the meeting and not take part in the discussion. Where a member/adviser remains, the Chair may also feel there are circumstances where they can be invited to provide points of information which would be of assistance to the DAC. These should always be points of fact rather than opinion.

More generally DACs should not allow members/advisers any special privileges. Care should be taken to ensure that projects are not given preferential consideration over other projects because it is possible to ask questions of the member/adviser involved. As a general rule, the DAC should not be persuaded by information which is only provided by the relevant member/adviser. It may be helpful in practice not to allow personal presentation of projects unless this is a common practice for those who are not members of the DAC. Where it is necessary for a Chair to declare an interest the Vice-chair should take the chair for the item.

