

# **CONGREGATION OF THE SISTERS OF MERCY**

## **DECLARATION OF INTERESTS POLICY**

June 2020



**Effective Date:** June 2020 — **Review Date:** June 2022

**Policy Title:** **DECLARATION OF INTERESTS POLICY**

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## **POLICY STATEMENT**

All conflicts of interest will be declared and managed in accordance with this Declaration of Interests Policy and related procedures in order to ensure that any such conflicts do not impact on ethical decision-making in relation to the mission of the Congregation as well as the objects of the Charity.

The Congregation of the Sisters of Mercy<sup>1</sup> (*“the Congregation”*) is committed to maintaining the highest standards of conduct in all aspects of its activities.

As a Charity the Congregation is legally charged with ensuring that all within its scope conduct themselves with integrity, impartiality, honesty and professionalism at all times.

The objects of the Charity are afforded priority over the personal or private interests of anyone charged with decision-making in the name of the Charity or its constituent parts.

The Declaration of Interests Policy is a way of identifying, managing and recording any conflicts of interest that may arise in order to protect both the Congregation and the individuals involved from any impropriety or appearance of impropriety and to protect all resources for the mission of the Charity/Congregation.

All who come within the scope of the policy must familiarise themselves with it and implement it.

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<sup>1</sup> Congregation: For simplicity the term used in this Policy is “Congregation”; the Policy equally applies to governance in all “sections”/level/parts of the Congregation, whether the whole (Congregation) or parts (Province or Region or local community).

## SCOPE

The policy encompasses decisions pertaining to legal and financial matters and the material goods of the Charity and any preliminary or related deliberations that could impact on the assets of the Charity.

The policy applies to:

- members of leadership teams who together as Trustees of the Charity are legally responsible for governance
- members with delegated or designated responsibilities or roles within the Congregation
- key identified members of staff
- third party person/adviser/advisers working on behalf of the Charity

Members of the Congregation who sit on Boards or Committees of bodies external to the Congregation or persons nominated to such on behalf of the Congregation are bound by the governance structures of those organizations.

## DEFINING AND IDENTIFYING/DETERMINING CONFLICTS OF INTEREST

A conflict of interest is any situation in which personal interests or loyalties could, or could be seen to, prevent the person from making a decision in the best interests of the Charity.

A conflict of interest can arise where a person has a vested interest in the outcome of a transaction - where personal, friendship, family, business or one's local community interests or loyalties have the potential to cloud or unfairly influence the decision-making process.

*CF Appendix 1 for a list of common situations.*

## RESPONSIBILITY

The Trustees are responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the Charity.
- monitoring compliance with the policy.
- reviewing the policy on an annual basis to ensure it is operating effectively.
- ensuring all relevant personnel receive training in the policy and sign an agreement to implement it.

## PROCEDURES FOR IDENTIFYING AND RECORDING DECLARATIONS OF INTERESTS REGISTER

Each group of Charity Trustees will have and maintain a register which will record all information regarding declarations of interest. The register will be maintained, by the Secretary, as a permanent record and will be available for inspection by any trustee on request.

As noted under *Scope* on the previous page, this policy applies to four categories of individuals; these persons will be asked to declare their relevant interests in a Declaration of Interests form (Cf. Appendix 2). Ideally this will be done when they assume the named roles or at the first available date after the introduction of this policy.

The Declaration of Interests form will list:

- Membership of other Trust bodies (Trustee, member or director).
- Any contractual relationship with the Charity (or subsidiary, if relevant).
- Any relevant property interests.

The information from the completed Declaration of Interests form will be entered into the register. The register will also detail all subsequent declarations of interest.

## MEETINGS: AGENDA AND MINUTES

Decisions that fall within the scope of the policy will be made in the context of structured meetings with formal, methodical and predetermined procedures.

The first item on the agenda of each meeting will be a standing item requiring all present to declare any conflicts of interest related to the matters on the agenda. The declaration must specify the nature and extent of any direct or indirect interest that gives rise to the conflict.

Minutes will record declarations of interest, provide an outline of the discussion and the actions taken to manage the conflict.

If an individual is aware that another individual has an actual or potential conflict that has not been declared, they must notify the person concerned about same and call their attention to it (each person carries group as well as individual responsibility).

## **CONFIDENTIALITY OF DISCLOSURES**

All declarations of interest, with the exception of what is deemed criminal, are considered confidential to the Charity Trustees /sub-group involved.

## **MANAGING THE DECLARATION**

Once a declaration of interest is disclosed the group must decide whether or not a conflicted member should:

- Be present in the room during the discussion
- Participate in the discussion
- Vote on the matter

## **COMPLIANCE**

If the trustees have a reason to believe a person has failed to disclose a conflict of interest it will investigate the circumstances. If deemed serious they will seek advice and make decisions accordingly

## **RELATED POLICIES AND LAW**

Data Protection Policy (GDPR Compliant)  
Charity Law

## APPENDICES

### Appendix 1

#### **Legal/financial situations that may result in a conflict**

Common situations which may result in a conflict of interest include:

- (a) Selling, loaning or leasing Charity assets to a charity trustee (or a person connected to them).
- (b) Acquiring, borrowing or leasing assets from a charity trustee (or a person connected to them).
- (c) The exploitation by the Charity of any property, information or opportunity held by a charity trustee (or a person connected to them).
- (d) Paying a charity trustee for carrying out a post at the Charity's subsidiary trading company.
- (e) Paying a charity trustee (or a person connected to them) for providing a service and/or goods to the Charity.
- (f) Employing a person connected to a charity trustee at the Charity or its subsidiary trading company.
- (g) Making a grant to a charity trustee (or a person connected to them) or determining the Charity's grant-making policy where the charity trustee (or a person connected to them) is a beneficiary.
- (h) Making decisions related to service provision where a charity trustee (or a person connected to them) is a service user.
- (i) A transaction between the Charity and another charity where a charity trustee is a director (or charity trustee) of both entities, and the transaction results in the Charity receiving a substantial asset from, or transferring a liability to, the other entity.
- (j) When a charity trustee (or a person connected to them) owes a legal obligation or duty towards another organisation or person (for example, an employer of another charity of which they are a charity trustee) that conflicts with the charity trustee's duty to the Charity.
- (k) When a charity trustee has a personal sense of loyalty to another organisation or person that conflicts with their loyalty to the Charity.
- (l) When a charity trustee has religious or political views that could interfere with their ability to make decisions in the interest of the Charity.

**Appendix 2**

**Register of interests of Congregation of Sisters of Mercy**  
 (to be signed by each designated member of groups/committees etc.)

**Name of Group:**  
 e.g. CLT/PLT/Finance sub-group etc. \_\_\_\_\_

**Charity Registered Number:** \_\_\_\_\_

**CHY Number:** \_\_\_\_\_

Name of charity trustee/person	Date of appointment	Description of interest	Has the board of charity trustees been notified of the interest?	Date of disclosure

**Signed:** \_\_\_\_\_  
 [Insert name of charity trustee]

**Date:** \_\_\_\_\_

**Signed:** \_\_\_\_\_  
 [Insert name of charity trustee]

**Date:** \_\_\_\_\_



# COMPANION POLICY DOCUMENT

## POLICY AND PROCEDURES FOR DECLARATION OF INTERESTS IN THE INTERNAL FORUM

### PURPOSE

The purpose of this companion policy document is to assist groups and individuals with leadership/decision-making responsibilities to identify, declare and deal with conflicts of interests. (i.e. deliberations and decision-making involving the non-material aspects of our lives as Sisters of Mercy).

### SCOPE

The Charities Regulator requires Trustees to implement a Policy on Declaration of Interests as a way of safeguarding the material resources held by the Congregation for the declared objects of the Charity. Similar values and principles apply to leadership in the internal forum - to deliberations and decisions relating to our lives as religious women.

This policy applies to all Sisters of Mercy engaged in contexts requiring discernment/decision-making – those serving in formal leadership roles, appointed or elected, by whatever title, committees/sub-groups/task groups/community groups.

It also applies to members of staff or volunteers who have appointed roles within the Congregation (e.g. health care/personnel/ministry groups).

### UNDERLYING VALUES

Catholic spirituality has its own values and unique language and terminology to describe decision-making in the light of the Spirit of God: prayer and discernment of spirits, willingness to set aside personal preferences/preconceptions and prejudgements, considering one's motivation and inner freedom.

Our Foundress considered "union and charity" key in how we relate one to the other and our Constitutions call us "to search together at all levels, in dialogue and love, for God's will in present circumstances..." (Const. Chapter 3, 38) and encourages "mutual collaboration and accountability among the sisters..." (Const. Chapter 4, 80)

The Constitutions also state that "Religious authority" is "a pastoral ministry of love" (Const. 76) while "sisters in leadership positions" exercise governing authority "with openness and dialogue" (sic. 79).

## CONFLICTS OF INTEREST

The source of a conflict needing to be declared and managed could be experienced as a strong negative or positive charge in relation to a particular item being listed on an agenda.

Conflicts for those in designated roles could arise in relation to areas of responsibility such as an individual sister or unit of the Congregation, or a particular ministry/remit/portfolio/initiative/issue listed for discussion/deliberation.

Conflicts could equally arise and need to be declared and managed within the life of the leadership unit itself.

Items/topics which could trigger conflicts include:

- ❖ Care of members/personnel issues (e.g. deliberations related to appointments to communities /moves to other communities/moves to nursing home care).
- ❖ Appointments to roles/ministries.
- ❖ Allocation/choosing portfolios/ areas of responsibility.
- ❖ Selection of sisters for significant/high-visibility Committees/groups.
- ❖ Dealing with requests/special permissions (e.g. funding additional to the norm/medical needs/sabbatical time/study leave/travel etc.).
- ❖ Election times and Chapter Directions.
- ❖ Opening or closing houses, creating initiatives or curtailing ministries, discernment/making decisions regarding formation of clustering/groups/branches.
- ❖ Reconfiguring areas of administration/branches.
- ❖ Alienating properties or endowing particular charities.

## PROCEDURES

In formal deliberations of serious import all sisters shall be invited to declare any conflicts of interest arising for them.

Leadership Teams at the outset of their ministry together/if a new person joins the team will engage in a formative process, part of which would entail sharing interests/passions/areas where they are likely to become charged.

Declaration of Interests will be a standard item on the agendas of all formal meetings and serious decisions will only be made in the context of such formal meetings.

Maintaining a Register of Interests may be deemed appropriate in certain contexts. Standard entries could include local community, Diocese/Province of origin, one's ministry history and major assignments/ministries.

Where a declaration of interest/potential conflict takes place on the joys or sorrows attaching to areas and times of major personal/interpersonal difficulty or challenge, unresolved conflict situations, aspects of life where one has been deemed to have blind spots or where one finds it hard to be dispassionate it is recommended that any recording in Minutes is done with great sensitivity and care.

Designated groups with particular responsibilities will agree the list of items to be declared and will devise a system to fit their particular situations.

In certain situations individuals will deem it honourable to declare their interests.

## MANAGING THE DECLARATION

Once a declaration of interest is disclosed the group must decide whether or not the conflicted member should:

- Be present in the room during the discussion.
- Participate in the discussion.
- Vote on the matter.
- Agree who else, if anyone, ought to be informed.

Procedures similar to those observed in the civil domain to obtain if an area of conflict arises: the decision as to how the conflict was handled GDPR sensitive etc. to be recorded in the Minutes.