



St Edmundsbury and Ipswich

Diocesan Multi Academy Trust

Conflicts of Interest Policy

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1. **Introduction and aims**

At St Edmundsbury and Ipswich Diocesan Multi Academy Trust, we want to ensure that the decisions taken by the board of Directors and local governing bodies are free from personal bias, and don't unfairly benefit any individual or company connected to the Trust or the schools within it.

Directors (also known as Trustees) and local governors in our trust must act in the best interests of the trust, and in accordance with the trust's articles of association, in order to avoid situations where there may be a conflict of interest.

This policy aims to ensure that:

- Everyone to whom the policy applies understands what a conflict of interest is.
- Everyone to whom the policy applies understands their responsibility to identify and declare any conflicts of interest.
- Every potential relevant conflict of interest, or perceived conflict of interest, is identified, recorded and prevented
- Decision-making isn't affected by conflicts of interest.
- There are clear procedures for managing conflicts of interest where these arise.

2. **Legislation and guidance**

This policy is based on:

- [Companies Act 2006](#)
- Guidance from the Charity Commission which explains statutory requirements and good practice regarding [conflicts of interest for charity trustees](#)
- [The Academy Trust Handbook](#)
- [The Governance Handbook](#)

This policy complies with our funding agreement and articles of association.

3. **Scope**

This policy applies to:

- Academy trust members
- All members of the board of Directors
- Members of local governing bodies
- Senior trust employees, including the CEO, CFO, Headteachers and Executive Headteachers

For the purposes of this policy we refer to all of the above as "governors", except where we make reference to some specific roles.

4. **Definitions**

4.1 **Conflict of interest**

A conflict of interest is any situation in which a governor has a business or personal interest or loyalty which could, or could be perceived to, prevent them from making a decision only in the best interests of the school and/or Trust.

It is not possible to provide an exhaustive list of what constitutes a conflict of interest, but some examples include where:

- Governors work for companies that provide, or have the potential to provide, services to the school or Trust
- A governor owns their own business, and sometimes does work for the school or Trust

- A governor is in a relationship with a member of staff
- A governor also sits on the governing board of another school or trust
- The class teacher of a parent governor's child is subject to a disciplinary hearing

The Trust's articles of association say:

Any director who has or can have any direct or indirect duty or personal interest (including but not limited to a Personal Financial Interest) which conflicts or may conflict with their duties as a Director shall disclose that fact to the Directors as soon as they become aware of it. A Director must absent themselves from any discussions of the Directors in which it is possible that a conflict will arise between their duty to act solely in the interests of the Company and any duty or personal interest (including but not limited to any Personal Financial Interest).

4.2 Director benefit

A director benefit is any instance where money, or other property, goods or services which have monetary value, are received by a director from the academy trust. This doesn't include where directors are compensated for proper out-of-pocket expenses.

Directors can only benefit from the trust in such a way, either directly or indirectly, where there is an **explicit authority** in place before any decisions are made.

Examples of director benefits include where directors decide to:

- Sell, loan or lease trust assets to a director
- Acquire, borrow or lease assets from a director for the trust
- Pay a director for carrying out a separate paid post within the trust, even if that director has recently resigned as a director
- Pay a director for carrying out a separate paid post as a director or employee of the trust's subsidiary trading company
- Pay a director, or person or company closely connected to a director, for providing a service to the trust
- Employ a director's spouse, partner or other close relative at the trust or its subsidiary trading company
- Make a grant to a service user director, or a service user who is a close relative of a director
- Allow a service user director to influence trust activities to their exclusive advantage

Explicit authority will come from either:

- Our articles of association
- A statutory provision (such as the power in the Charities Act which allows charities to pay directors for additional services in some circumstances)
- The Charity Commission
- The court

5. Roles and responsibilities

5.1 Chair of board of Directors

The chair of the board of Directors will:

- Ensure that the register of interests for Directors and Senior Central Trust staff is completed each year
- Make sure declarations of interest are made before each meeting
- Arbitrate decisions about how to deal with conflicts of interest, where appropriate
- Monitor this policy, and seek advice on any necessary changes

5.2 Chairs of local boards of governors

The chairs of local boards of governors will:

- Ensure that the register of interests for their board is completed each year
- Make sure declarations of interest are made before each meeting
- Arbitrate decisions about how to deal with conflicts of interest, where appropriate. The MAT CEO may arbitrate decisions where required.
- Monitor this policy, and seek advice on any necessary changes

5.3 Clerk to governors

The clerk will:

- Maintain the register of interests, and update it when governors inform them of changes to their circumstances
- Advise the board on how to deal with conflicts of interest

5.4 All governors

All governors will:

- Declare their conflicts of interest before or during meetings, and complete the register of interests faithfully
- Make sure they inform the chair and clerk immediately of any changes to their circumstances
- Take appropriate action to remove any conflict of interest, or seek advice on how to do so if necessary

6. What governors must declare

Governors must declare:

- Directorships, partnerships and employments with businesses
- Trusteeships and governorships at other educational institutions or charities
- Material interests arising from relationships with other members, directors or local governors (including spouses, partners and close relatives)
- Material interests arising from relationships with trust employees (including spouses, partners and close relatives)
- Business or personal interests of their spouses, partners and close relatives, where there's a possibility that the school or Trust will have dealings with that person
- Contracts they hold that involve the school or Trust

If an individual isn't sure whether something constitutes a conflict of interest, or needs to be declared, they should err on the side of caution and declare it.

Senior trust employees, and governors/directors who are staff members, must declare an interest in relation to matters of their own pay and appraisal, and must not participate in discussions or decisions about these.

7. Procedures

7.1 Register of interests

The Trust requires each governor to complete a declaration of interests at the beginning of each academic year. Directors and Members should complete a Declaration of Interests form (see Appendix). Local governors must complete the declaration on Governorhub.

New governors will also be asked to complete a declaration of interests form if they join after the start of the academic year.

The Trust will publish information about the interests of members, directors, local governors, and the accounting officer (where the accounting officer isn't already included due to being a director).

The register of interests must include the interests of senior trust employees, but the Trust is not required to publish these (apart from for the accounting officer).

Senior trust employees, and governors/directors who are staff members, are not required to record their employment with the trust on the register of interests.

If an individual's circumstances change after the register of interests is completed, they must immediately alert the chair and the clerk that they need to make amendments or further declarations.

7.2 Declaring conflicts of interest and taking action

Agendas of meetings will be circulated in advance. Governors must review any agenda sent to them, and alert the chair and the clerk as soon as possible if they have a conflict of interest related to any item on the agenda.

Each meeting will also include a standing agenda item to allow declarations to be made.

If a conflict becomes apparent during a meeting, and governors didn't declare these prior to or at the beginning of the meeting, they must declare these immediately.

Depending on the nature of the meeting or discussion, and the interest in question, the board will decide whether the individual needs to:

- Withdraw from the meeting
- Refrain from contributing to the discussion
- Refrain from voting on a decision

The board may also decide that, having declared the interest, the governor is free to participate in the discussion or decision as normal.

When deciding which course of action to take, the board must:

- Always make their decision in the best interests of the school and Trust, and be able to demonstrate this
- Act to protect the school's and Trust's reputations
- Consider the impression that their actions and decisions may have on those outside of the school and Trust
- Consider the level of risk related to the decision in question, and the risk that the conflict will affect the individual's ability to be impartial, or to act only in the best interests of the school and Trust
- Be aware that the presence of a conflicted governor (even if they cannot participate in the decision or discussion) may inhibit free and open dialogue, and may affect the decision in some way

In cases of **serious conflict of interest**, the board may also choose to avoid the conflict by:

- Not pursuing a particular course of action
- Proceeding with the issue in a different way
- Not appointing a particular governor or employee
- Securing a resignation from a conflicted governor

A serious conflict of interest includes situations where the conflict:

- Is so acute or extensive that the individual isn't able to make their decisions in the best interests of the school and/or Trust or could be seen to be unable to do so
- Is present in significant or high-risk decisions
- Means that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach

- Is associated with inappropriate director benefit

Details of any conflicts declared, and relevant actions taken, will be recorded in the minutes.

8. Failure to declare a conflict of interest

Failure to declare a conflict of interest is a breach of the board's code of conduct.

If the board becomes aware that a governor hasn't declared a relevant conflict of interest, it will immediately update the register of interests to ensure the record is complete and accurate.

Depending on the nature of the omission, the board may also:

- Vote to suspend the governor
- Vote to remove the governor from office
- Follow any relevant disciplinary procedures

If a governor is aware of another governor's undeclared interest, they should alert the chair and the clerk immediately.

9. Review

This policy will be reviewed every three years and approved by the Trust board for adoption by local boards.

Appendix: Declaration of interests form

Our trust is committed to acting with integrity and impartiality. To this end, we must keep a register of the relevant business and pecuniary interests of members, directors, local governors and senior employees.

We're also required to publish these interests with respect to members, directors, local governors and the accounting officer.

Please complete the form below and return it to the Mat Administrator.

If you're not sure whether something counts as a conflict of interest, err on the side of caution and declare it.

You must update us whenever your circumstances change, so we can ensure our register of interests is accurate.

Name: _____

Directorships, partnerships or employment

NAME OF BUSINESS/ORGANISATION	NATURE OF INTEREST	DATE INTEREST BEGAN

Governor or trustee roles at other educational institutions or charities

NAME OF SCHOOL/ESTABLISHMENT/CHARITY	NATURE OF LINK	DATE INTEREST BEGAN

Personal relationships (including spouse/partner and close relatives)

NAME OF DIRECTOR, LOCAL GOVERNOR, MEMBER OR TRUST EMPLOYEE	NATURE OF THE RELATIONSHIP	NATURE OF THE INTEREST ARISING FROM THIS RELATIONSHIP

Relevant business or personal interests of spouse/partner and close relatives

NAME	RELATIONSHIP TO YOU	RELEVANT INTEREST

Signature: _____