



## Conflict of Interest Policy

### Document Control

Author/Contact:	Teresa Phipps Email: <a href="mailto:teresa.phipps@atlp.org.uk">teresa.phipps@atlp.org.uk</a>	
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## Statement of intent

This policy sets out the framework for ensuring that the decisions and decision-making processes at The ATLP are, and are seen to be, free from personal bias and do not unfairly favour any individual or company connected with the school.

Trustees and Governors of the schools have an obligation to act in the best interests of the school and in accordance with its Articles of Association to avoid situations where there may be a potential conflict of interest.

Situations may arise where family interests or loyalties conflict with those of the school. They may create problems as they can inhibit free discussions, result in decisions or actions that are not in the interests of the school and risk the impression that the school has acted improperly.

The ATLP therefore intends to:

- Ensure that every trustee/governor understands what constitutes a conflict of interest and that they have a responsibility to identify and declare any conflicts that might arise.
- Record the conflict and the actions taken to ensure that the conflict does not affect the decision-making of The ATLP.

## **1. Legal framework**

1.1. This policy takes its legal framework from the following legislation and statutory guidance:

- Companies Act 2006.
- Conflicts of Interest: A Guide for Charity Trustees.

## **2. Definition**

2.1. The ATLP adopts the definition of the Charity Commission, which states that a conflict of interest is any situation where a governor's personal interests or loyalties could, or could be seen, to prevent the governor from making a decision in the best interests of the school.

## **3. Identifying conflicts of interest**

3.1. The ATLP expects individual trustees/governors and governing bodies to be able to identify any conflicts of interest at an early stage.

3.2. Individual trustees/governors who fail to identify and declare any conflicts of interest will also fail to comply with their personal legal responsibility to avoid conflicts of interest and act only in the best interest of the school and its students.

3.3. The Trust Board/governing body must ensure that any conflicts of interest do not prevent them from making a decision only in the best interests of the school and its students.

## **4. Articles of Association**

(97) Any Trustee or Governor who has or can have any direct or indirect duty or personal interest (including but not limited to any Personal Financial Interest) which conflicts or may conflict with his duties as a Trustee or Governor shall disclose that fact to the Trustees as soon as he becomes aware of it. A Trustee or Governor must absent himself from any discussions of the governors in which it is possible that a conflict will arise between his duty to act solely in the interests of the Academy Trust and any duty or personal interest (including but not limited to any Personal Financial Interest).

(98) For the purpose of Article 97, a governor has a Personal Financial Interest in the employment or remuneration of, or the provision of any other benefit to, that Governor as permitted by and as defined by articles 6.5-6.9.

## **5. Interests which should be declared**

5.1 Where the affairs of a Trustees/Governors have a potential to be in direct conflict with the interests of any individual school within the ATLP, or the ATLP itself, Trustees/Governors will be expected to declare the following interests:

- Holding another public office.
- Being an employee, director, advisor or partner of another business or organisation.
- Pursuing a business opportunity.
- Being a member of a club, society or association.
- Having a professional or legal obligation to someone else.
- Having a beneficial interest in a trust.
- Owning or occupying a piece of land.
- Owning shares or some other investment or asset.
- Having received a gift, hospitality, or other benefit from someone / an organisation.
- Owing a debt to someone / an organisation.
- Holding or expressing strong political or personal views that may indicate prejudice or predetermination for or against a person or issue.
- Being a spouse, partner, relative or close friend of someone who has one of these interests.

## **6. Trustee/Governor benefits**

- 6.1. Trustees/governors can only benefit from a school where there is an explicit authority in place in the school's governing document before any decision conferring trustee/governor benefit is made.
- 6.2. Trustee/governor benefits include any payments or benefits to trustees/governors or a connected person, apart from their reasonable out of pocket expenses. They also cover situations where a trustee/governor could receive property, loans, goods or services from the school.
- 6.3. Where there is a proposed sale or lease of school land to a trustee/governor, or to a person or company closely connected with a trustee/governor, this will need to be authorised by the DfE, even if the disposal is at full market value.
- 6.4. The payment of reasonable expenses to trustees/governors is not a benefit, so it does not create a conflict of interest or require authorisation.

## **7. Register of interests**

- 7.1. Trustees/governors should keep an updated record of any conflicts of interest in the Trust's/school's register of interests, which is kept at each school site or the ATLP Central Office.

## **8. Declaring interests**

- 8.1. Trustees/governors should have a standard agenda item at the beginning of each meeting of the governing body to declare any actual or potential conflicts of interest.
- 8.2. A trustee/governor should declare any interest which he / she has in an item to be discussed, at the earliest possible opportunity and before any discussion of the item itself.
- 8.3. If a trustee/governor is uncertain whether or not he / she is conflicted, he / she should declare the issue and discuss it with the other trustees/governors.
- 8.4. If a trustee/governor is aware of an undeclared conflict of interest affecting another trustee/governor, then he / she should notify the other trustees/governors or the Chair.

## **9. Removing conflicts of interest**

- 9.1. Trustee/governors must consider the conflict of interest so that any potential effect on decision-making is eliminated.
- 9.2. Trustees/governors must follow any legal or governing document requirements on how a conflict of interest must be handled, but may, in serious cases, decide that removing the conflict of interest itself is the most effective way of preventing it from affecting their decision-making. Serious conflicts of interest include, but are not limited to, those which:
  - 9.2.1. Are so acute and extensive that the trustees/governors are unable to make their decisions in the best interest of the school and its students, or could be seen to be unable to do so.
  - 9.2.2. Are present in significant or high risk decisions of the trustees.
  - 9.2.3. Mean that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach.
  - 9.2.4. Are associated with inappropriate trustee/governor benefit.

## **10. Withdrawing from decision-making**

- 10.1. Where there is a proposed financial transaction between a trustee/governor and the school, or any transaction of arrangement involving trustee/governor benefit:
  - 10.1.1. The benefit must be authorised in advance.
  - 10.1.2. The governing body expects the affected trustee/governor to be absent from any part of any meeting where the issue is discussed or decided.
  - 10.1.3. The affected individual should not vote or be counted in deciding whether a meeting is quorate.
- 10.2. Where there is a conflict of loyalty and the affected trustee/governor does not stand to gain any benefit and there are no specific governing document or legal provisions

- about how the conflict of loyalty should be handled, the affected trustee/governor should declare the interest.
- 10.3. The remainder of the governing body must then decide what level of participation, if any, is acceptable on the part of the conflicted trustee/governor. The options might include, but are not limited to, deciding whether the conflicted trustee/governor:
- 10.3.1. Having registered and fully declared the interest, can otherwise participate in the decision.
  - 10.3.2. Can stay in the meetings where the decision is discussed and made, but not participate.
  - 10.3.3. Should withdraw from the decision-making process in the way described above.
- 10.4. In deciding which course of action to take regarding a conflict of interest, trustees/governors:
- 10.4.1. Must always make their decisions only in the best interest of the school and its students.
  - 10.4.2. Should always protect the school's reputation and be aware of the impression that their actions and decisions may have on those outside the school.
  - 10.4.3. Should always be able to demonstrate that they have made decisions in the best interests of the school and its students, and independently of any competing interest.
  - 10.4.4. Should require the withdrawal of the affected trustee/governor from any decisions where the trustee/governor's other interest is relevant to a high risk or controversial trustee/governor decision or could, or be seen to, significantly affect the trustee/governor's decision-making at the school.
  - 10.4.5. Can allow a trustee/governor to participate where the existence of his / her other interest poses a low risk to decision-making in the school's interest, or is likely to have only an insignificant bearing on his / her approach to an issue.
  - 10.4.6. Should be aware that the presence of a conflicted trustee/governor can affect trust between trustees/governors, could inhibit free discussion, and might influence decision-making in some way.
- 10.5. Trustees/governors can, before their discussion, ask a trustee/governor who is withdrawing, to provide any information necessary to help make the decision in the best interests of the school and its students.

## **11. Records of proceedings**

- 11.1. Trustees/governors should record in the minutes, details of any and all discussions on potential conflicts of interests and the decisions made.

## **12. Confidentiality**

- 12.1. Trustees/governors cannot use information obtained at the school for their own benefit or that of another organisation if it has been obtained in confidence or has special value such as commercial sensitivity.

## **13. Monitoring and enforcement**

- 13.1. The Trust Board of the ATLP will carry out continuous monitoring of its activities and members to ensure that any conflicts of interest are identified and mitigated as soon as possible.
- 13.2. Trustees/governors who fail to declare an interest and are found to be in conflict with the best interests of the school will be expected to explain to the Trust Board/governing body his / her reasons for their omission.
- 13.3. Members may decide to terminate the membership of the relevant trustee / governor from the governing body, if he / she is found to have knowingly and deliberately failed to declare an interest and has brought the school into disrepute.

## **14. Policy publication**

- 14.1.1 This policy will be published on Trust Governor to be available for all members, trustees, governors and members of Trust committees. All parties accept compliance to this policy whilst serving as a member, trustee, member of a trust Committee or governor.

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