



CONFLICT OF INTEREST POLICY

A thriving family of schools who work together to celebrate differences, and support each other in pursuit of excellence.

DOCUMENT CONTROL

This document has been approved for operation within:	All Chancery schools		
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Approved by:	Director Board		
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Summary of changes within this version

The policy has been re-written.

Statement of intent

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

Members of the directors board, governing boards and school staff have an obligation to act in the best interests of the school community 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 trust. Such interests 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 school's reputation.

The trust has created this policy to:

- Ensure that every member, director, governor and staff member understand 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 trust and its schools.

1. Legal framework

1.1 This policy has due regard to all relevant legislation and statutory guidance including, but not limited to, the following:

- The Companies Act 2006 (strategic Report and Directors' Report) Regulations 2013
- Data Protection Act 2018
- UK General Data Protection Regulation
- Charities Act 2011

1.2 This policy has due regard to all relevant guidance including, but not limited to, the following:

- The Charity Commission (2014) 'Conflicts of Interest: a guide for charity trustees'
- The Charity Commission (2020) 'Managing conflicts of interest in a charity'
- DfE (2022) 'Academy trust handbook'

1.3 This policy operates in conjunction with the following school policies:

- Finance Procedures Policy
- Tendering and Procurement Policy
- Reserves and Investment Policy
- Gifts, Hospitality and Anti-bribery Policy
- Whistleblowing Policy
- Anti-fraud and Corruption Policy
- Declared Conflicts of Interest Register
- General Interests Register
- Data Protection Policy
- Governing Board Code of Conduct

2. Definitions

2.1 For the purpose of this policy, a person is defined as having a '**business or pecuniary interest**' if they have a monetary or financially vested interest in a business or service, which could prevent the individual from acting in the trusts's best interests.

2.2 '**Conflicts of interest**' are any situations where an individual's personal interests or loyalties could, or could be seen to, prevent the individual from making a decision in the best interests of the trust. The most common types of conflict of interest can be separated into '**financial conflicts**' and '**loyalty conflicts**'.

2.3 '**Financial conflicts**' are when an individual is connected to a person and/or organisation and could receive money or something else of value from the selection

of their decision. Individuals' expenses, e.g. governor expenses, are not included in this definition.

- 2.4 '**Loyalty conflicts**' are unrelated to money or individual benefits; rather, these conflicts are concerned with other reasons relating to an individual's loyalty or duty to another organisation or person which would impair their decision-making in consideration to their obligation to prioritise the school's best interest.
- 2.5 A '**connected person**' broadly relates to an individual's family, relatives, or business partner. To determine if an individual is considered connected in case-specific issues, we will seek legal advice if necessary.
- 2.6 The term '**significant shareholder**' refers to any individual or relative of an individual holding more than 20 percent of the share capital or exercising more than 20 percent of the voting power in an organisation.
- 2.7 An '**interested party**' is defined as a person who has a close relation to a person with a vested interest, e.g. a spouse.
- 2.8 'At cost' refers to the cost of a good or service (not including contracts of employment), without profit.

3 Roles and responsibilities

3.1 The directors board is responsible for:

- Ensuring, in liaison with the chief executive officer and chief finance officer, that all members of the directors board have declared any conflicts of interest, in accordance with the Declared Conflicts of Interest Register.
- Considering the risks associated with an individual who has declared a conflict of interest participating in any decision-making or voting and seeking advice.
- Setting professional standards of governance and accountability for the directors board.
- Independently and objectively making decisions about executive pay and benefits, scrutinising each decision so conflicts of interest are avoided.

3.2 The chief executive officer is responsible for:

- Being the trust's lead in financial matters, including a personal responsibility to government and to the ESFA's accounting officer.
- Completing and signing a statement on regularity, propriety and compliance each year and submitting this to the ESFA with the audited accounts.
- Ensuring the trust board is compliant with the trust's articles of association, funding agreement, and 'Academy trust handbook'.
- Notifying the ESFA's accounting officer immediately, in writing, if the directors board is not compliant.

3.3 The chief finance officer is responsible for:

- Ensuring that all members of staff, including volunteers, act in accordance with this policy at all times.
- Identifying any conflicts of interest that have not been previously declared.
- Making complete declarations on an **annual** basis, and ensuring they are up-to-date.
- Ensuring there are measures in place to manage and identify any conflicts of interest.
- Operating and making decisions in the best interests of pupils and the trust.

3.4 The chair of governors is responsible for:

- Ensuring, in liaison with the headteacher, that all members of the governing board have declared any conflicts of interest, in accordance with the Declared Conflicts of Interest Register.
- Considering the risks associated with an individual who has declared a conflict of interest participating in any decision-making or voting and seeking advice.
- Setting professional standards of governance and accountability for the governors board.

3.5 The governance professionals are responsible for:

- Keeping an accurate and up-to-date record of interests for all directors, governors, staff and volunteers, which is reviewed annually, and can be accessed by relevant people.
- Keeping accurate meeting minutes.

3.6 The headteacher is responsible for:

- Ensuring, in liaison with the chair of governors, that all members of the governing board have declared any conflicts of interest, in accordance with the Declared Conflicts of Interest Register.
- Ensuring that the General Interests Register is published on the school website.
- Ensuring that any staff member who is responsible for proposing a course of action or handling the school's budget has declared any conflicts of interest.
- Deciding who else is considered an 'interested party', and ensuring they declare any conflicts of interest.

3.7 Staff, including volunteers, are responsible for:

- Declaring any conflicts of interest.
- Acting in accordance with this policy at all times.
- Identifying any conflicts of interest that have not been previously declared.

- Following the school's Whistleblowing Policy where there are concerns that a conflict of interest has not been declared, and an individual might have subsequently benefitted.
- Ensuring that all individuals in a discussion do not have a vested interest in the subject.

4 Identifying conflicts of interest

- 4.1 All staff (including volunteers) will be able to demonstrate that they do not have a vested interest in any decision-making or budget spending. All staff (including volunteers) will remain objective and act within the best interests of the trust, trust schools and its pupils.
- 4.2 Members of the directors board and governing board will declare any conflicts of interest at an early stage and inform the relevant people, e.g. the ceo, the headteacher. Members of the directors board and governing board will ensure that any conflicts of interest do not prevent them from making a decision that would be in the best interests of the trust, trust school and its pupils.
- 4.3 Members of the directors board, governing board and the relevant members of staff will declare the following interests:
- Holding another public office
 - Being an employee, director, adviser or partner of another business or organisation
 - Pursuing business opportunities
 - Being a member of a club, society or association
 - Having a legal or professional 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 governor, associate member or trustee at any other educational establishment
 - Being a spouse, partner, relative or close friend of someone who has one of these interests

- 4.4 All interests and connections that could influence the trust or trust school's reputation with the public will be declared.
- 4.5 If staff, including volunteers, have a relative whom they know to have a declarable interest, this information will be declared.
- 4.6 If the trust's members, directors or local governors have a relative whom they know to have relevant interests, this will be declared.
- 4.7 Only relevant interests will be declared, e.g. the spouse of the owner of a catering service when the trust or trust school is seeking a new catering company. Any interests that do not directly benefit individuals or their relatives do not need to be declared – for example, being a small shareholder in a large national company rather than a significant shareholder.

5 Identifying conflicts of loyalty

- 5.1 Conflicts of interest can also arise, even if the individual does not gain any financial benefit, when their decision-making as a staff member or a member of the director or governing board could be influenced by their other interests.
- 5.2 Members of the directors board, governing board and relevant staff will be required to declare any interest that might conflict with their loyalty to:
- Another organisation, such as their employer.
 - A member of their family.
 - Another connected person or organisation.
 - Another governing board or committee of which they are a member.
 - The individual that appointed them to the governing board.
- 5.3 Members of the directors or governing board will also be required to declare any conflicts of interest where their religious, political or personal views could interfere with their ability to make decisions in the best interests of the trust or trust school.

6 The register of interests

- 6.1 Each declaration of interest will be recorded on the trust or school's Declared Conflicts of Interest Register.
- 6.2 This register will allow all directors, governors and relevant employees to identify any business, commercial, financial or personal interests they have.
- 6.3 Details of each interest will be recorded on the register, including the following:
- The nature of the business and/or interest
 - The name of the business and/or interest
 - The date the interest began

- A brief description of duties or responsibilities
- The date of cessation of interest
- The date of entry onto the register
- Relevant material interests which occur through close family relationships between those individuals and employees.

6.4 The school will keep the following two versions of the Declared Conflicts of Interest Register:

- One that details the nature of the interests declared that will have restricted access – the full Declared Conflicts of Interest Register
- A General Interests Register, which is more widely accessible, and includes who has declared interests and which category they fall into.

6.5 The declaration registers will be stored in the school and trust office, where they can be accessed by the CEO, headteacher, chair of directors and chair of governors/governors, as well as inspected by Ofsted or anyone else who has a right to it to carry out their statutory duties.

6.6 The DPO will ensure that the registers are protected in accordance with the trust's Data Protection Policy.

6.7 The directors board is responsible for deciding who else has access to the registers, including other staff members, governors and parents.

6.8 If an individual has no interest to declare, they will indicate this by stating 'nil' on their conflicts of interest form, before signing and dating the declaration.

6.9 If an individual is unsure whether they have a conflict of interest, the CFO or headteacher will advise the individual to declare any possible interests until they can confirm their interests at a later date.

6.10 Any conflicting interests or relationships will be described in sufficient detail using appropriate language to clarify under what circumstances an individual's position might be brought into question.

6.11 If a new interest becomes applicable during the school year, it will be the responsibility of the individual concerned to amend the Declared Conflicts of Interest Register.

6.12 The relevant business and pecuniary interests of members, directors, governors and accounting officers will be published publicly on the trust and school website.

6.13 The trust will have discretion over the publication of interests of other individuals named on the register.

6.14 Directors will consider any other interests they deem relevant and, if there is any doubt, register them regardless.

6.15 The board of directors will be responsible for keeping their register of interests up-to-date through regular review.

7. Director or Governing board benefits

- 7.1 Conflicts of interest can arise where there is a potential or measurable benefit to a member of the director or governing board, or to a person connected to a member.
- 7.2 Members of the director or governing board can only benefit from the trust or trust school where there is an explicit authority in place in the trust's governing documents.
- 7.3 Director or Governing board benefits include any payments or benefits to members, or a connected person, apart from their reasonable out-of-pocket expenses. Benefits also include situations where a member of the directors or governing board could receive property, loans, goods or services from the trust or trust school.
- 7.4 Where there is a proposed sale or lease of land to a member of the director or governing board, or to a person or company closely connected with a member, this will require authorisation from the DfE before it is granted, even if the disposal is at full market value.
- 7.5 The payment of reasonable expenses to a member of the director or governing board is not a benefit and therefore does not create a conflict of interest or require authorisation.

8. Declaring interests

- 8.1 Wherever possible, the CEO, CFO, headteacher, chair of directors and chair of governors will make arrangements to avoid a conflict of interest arising.
- 8.2 The stipulations below apply to all members of the directors board, CEO, governing board, the headteacher and any others in attendance at meetings, including the SLT.
- 8.3 The director or governing board will be provided with a standard agenda item at the beginning of each meetings, to declare any actual or potential conflicts of interest. Declarations will be made in writing, unless they are made at a meeting where official minutes are being taken.
- 8.4 All members of the director or governing board will be required to declare any interest that has been outlined as an item to be discussed, at the earliest possible opportunity and before any discussion of the item itself.
- 8.5 If a member is unsure whether they are conflicted, they will declare the issue and discuss it with the rest of the directors or governing board.
- 8.6 If a member is aware of an undeclared conflict of interest affecting another member, they will be required to notify the rest of the directors or governing board for appropriate action.
- 8.7 If the person making the declaration is only one of a number participating in the directors or governing board's discussion and decision-making process, the declaration will be made to the other participants. If the person making the declaration is the only person making a decision on behalf of the director or governing board, the declaration will be made to the CEO or headteacher. If the

person making the declaration is the CEO or headteacher, the declaration will be made to the chair of directors or governors.

8.8 Staff will declare conflicts of interest to the headteacher and ensure that this information is up-to-date.

8.9 If new conflicts of interest arise for directors, governors or staff, they will inform the chair of directors, governors, CEO or the headteacher and the registers will be updated.

9. Removing conflicts of interest

9.1 The director or governing board will consider any conflict of interest declared, ensuring that any potential effect on decision-making is eliminated.

9.2 If an individual has declared an interest, they will be required to leave the room when the matter is being discussed.

9.3 Where there is a conflict of loyalty and the affected member does not stand to gain any benefit, they will be required to declare the interest.

9.4 The rest of the director or governing board will decide on what level of participation in decision-making, if any, is acceptable on the part of the conflicted member.

9.5 The director or governing board will decide whether the affected member:

- Can participate in the decision, after having registered and fully declared their interest.
- Can stay in the meetings where the decision is discussed and made, but not participate.
- Must be withdrawn from the decision-making process.

9.6 When deciding which course of action to take, the director or governing board will:

- Always make their decisions in the best interests of the trust, trust school and its pupils.
- Always protect the trust's reputation and be aware of the impression that their actions and decisions may have on others.
- Always be able to demonstrate that they have made decisions in the best interests of the trust, trust school and its pupils, and independently of any competing interest.
- Require the withdrawal of the affected member from any decisions where their other interest is relevant to a high-risk or controversial decision, or could significantly affect the member's decision-making.
- Allow a member to participate where the existence of their other interest poses a low risk to decision-making in the trust or trust school's interest, or is likely to have only an insignificant bearing on their approach to an issue.

- Be aware that the presence of a conflicted member can affect trust between other members of the director or governing board, could inhibit free discussion, and might influence decision-making in some way.
- 9.7 If the director or governing board is discussing the appointment of a post, or making decisions that may lead to a staff vacancy, regarding a role for which a director or governor could apply, the member in question will be required to leave the discussion, as this is classed a conflict of interest.
- 9.8 Members of the director or governing board who have declared an interest will not be able to vote or make decisions regarding that topic, including any financial activity connected to the matter, and will not be present when the vote is taken.
- 9.9 The governance professional will record an entry in the minutes when an individual withdraws from a meeting.
- 9.10 Declarations will be clearly recorded so that there can be no potential for misunderstandings.
- 9.11 In circumstances where participation is unavoidable, the chair of directors or governors will consider the risks associated with the situation and advice will be sought. An entry of the situation, including the outcome, will be recorded in the minutes.
- 9.12 The director or governing board will follow any legal or governing document requirements on how a conflict of interest must be handled, but may, in serious cases, decide that removing a conflict of interest itself is the most effective way of preventing it from affecting their decision-making.
- 9.13 Serious conflicts of interest include, but are not limited to, those which:
- Are so acute and extensive that the member is unable to make their decision in the best interests of the trust, trust school and its pupils.
 - Are present in significant high-risk decisions of the directors.
 - Mean that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach.
 - Are associated with an inappropriate director or governing board benefit.
- 9.14 To remove a conflict of interest, the director or governing board will undertake appropriate action, including:
- Not pursuing the course of action.
 - Proceeding with the issue in a different way so that a conflict of interest does not arise.
 - Securing the resignation of the member affected by a conflict of interest.
 - Not making member appointments that would knowingly introduce a conflict of interest.

10. Records of proceedings

10.1 Each time a declaration has been made during a meeting or an individual has withdrawn from a discussion, a record will be kept in the meeting minutes.

10.2 At a minimum, the following information will be recorded:

- The nature of the conflict
- Which members were affected
- Whether the conflicts of interest were declared in advance
- Whether anyone withdrew from the discussion
- How the trustees reached the decision made
- A description of what was disclosed and in what circumstances
- A cross-reference to an entry in the General Interests Register
- The chair of directors or governors, CEO or headteacher will sign and date the recording

11. Non-compliance

11.1 Any member of the director or governing board who fails to reveal information to enable the director or governing board to fulfil its responsibilities might be in breach of the Board's Code of Conduct and, as a result, be bringing the trust into disrepute.

11.2 The director or governing board will consider suspending a director or governor if they fail to declare information that brings the director or governing board's reputation into question.

11.3 Any member of staff found to be withholding information about a conflict of interest may be subject to disciplinary action.

12. Related party transactions

12.1 The trust will be even-handed in its relationship with related parties by ensuring:

- Directors' compliance with their statutory duties to avoid conflicts of interest, not accept benefits from third parties, and declare interest in proposed transactions or arrangements.
- A register of interest has been completed by the governance professional.
- No member of the trust uses their connections to the trust for personal gain.
- All payments are permitted by the articles of association or by authority from the Charity Commission.

- The Charity Commission approves payments to a trustee where there is a significant advantage to the trust.
 - Any payment provided to a person satisfies the 'at cost' requirement.
- 12.2 All related party transactions will be reported to the ESFA in advance of transactions taking place, using the ESFA's [online form](#). This will be applied to all contracts and agreements made on or after April 2019.
- 12.3 The ESFA's prior approval will be obtained, using the online form, for contracts for the supply of goods or services to the trust by a related party where any of the following limits apply:
- A contract exceeding £20,000
 - A contract or other agreement of any value that would mean the cumulative value of contracts and other agreements with related party exceeds, or continues to exceed, £20,000 in the same financial year ending 31 August
- 12.4 For the purposes of reporting to the ESFA, transactions with related parties will not include salaries and other payments made by the trust to a person under a contract of employment through the trust's payroll.
- 12.5 The CFO is responsible for completing the ESFA's online form. The information required to complete the form will be collected by the CFO – it is not possible to partially complete a form and then return to it.
- 12.6 The following information is needed to create a record for the supplier:
- The name of the supplier
 - The supplier's address
 - The supplier's company number which can be found using the Companies House website (for limited companies)
 - The statement which best describes the relationship between the supplier and the trust
 - Confirmation that the supplier is listed on the trust's register of interests
 - Confirmation that the trust has a statement of assurance from the supplier
 - Confirmation that the trust has an open-book agreement with the supplier
- 12.7 The following information is needed about the related party transaction:
- A short description of the goods or services
 - Details of the proposed cost
 - The start and end date of any contract or agreement
- 12.8 When seeking approval for a related party transaction, evidence including the following is required:
- How the trust agreed to the related party transaction
 - That the trust followed its Tendering and Procurement Policy

- That the trust tested the market before making a decision
 - How the trust managed any conflicts of interest
 - A copy of the agreement and proposed contract
- 12.9 The board of directors and CEO will manage personal relationships with related parties to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with the seven principles of public life.
- 12.10 The chair of the board of directors and the CEO will ensure their capacity to control and influence does not conflict with requirements.
- 12.11 The trust recognises that some relationships with related parties may attract greater public scrutiny, such as:
- Transactions with individuals in a position of control and influence, including the chair of the directors board and CEO .
 - Payments to organisations with a profit motive, as opposed to those in the public or voluntary sectors.
 - Relationships with external auditors beyond their duty to deliver a statutory audit.
- 12.12 The trust will keep up-to-date records and make sufficient disclosures in their annual accounts to show accordance with the high standards of accountability and transparency required within the public sector.
- 12.13 The trust's register of interests will include business and pecuniary interests, including:
- Directorships, partnerships and employments with businesses.
 - Trusteeships and governorships at other educational institutions and charities.
 - For each interest: the name of the business; the nature of the business; the nature of the interest; and the date the interest began.
 - Any other interests deemed relevant by the board of trustees.
- 12.14 The register of interests will identify any relevant material interests from close family relationships between the trust's members, directors and governors. It will also identify relevant materials arising from close family relationships between those individuals and employees.
- 12.15 Relevant business and pecuniary interests of members, trustees, governors and the accounting officer will be published on the trust's website.
- 12.16 The governance professional will maintain a Related Party Transactions (RTP) Register, which will be stored in accordance with the Data Protection Policy.

13. Monitoring and review

- 13.1 This policy will be reviewed on an 3 yearly basis, or when new legislation or guidance regarding the subject is published and requires the approval of the full directors board as it cannot be delegated to a committee.
- 13.2 The next scheduled review date will be in September 2025.