



Empowering our unique schools to Excel

St John's Church of England Primary School

Conflict of Interest Policy

	ODBST 1.0	
Policy Level:	1	ODBST Trustee Policy Owned and applicable at ODBST Board level
	2	ODBST Statutory and Mandatory Policy All schools must adopt these policies with local amendment strongly discouraged. These policies are centrally amended and binding on LGBs from the date of Board approval. They must be displayed on the School's website. Approval for all proposed local amendments must be sought from the ODBST Governance Lead prior to Local Governing Body resolution.
Other related ODBST policies and procedures:	EFSA Academies Financial Handbook Conflicts of Interest: A Guide for Charity Trustees Companies Act 2006 Articles of Association of the Oxford Diocesan Bucks Schools Trust	
Committee responsible:	FRAPP	
Approved by:	Trustee Board	
Date Approved:	24/04/2019	
Date for Next Review:	24/04/2023 unless guidance changes	

In reviewing this policy the Trust Board has had regards to the Equality Act 2010 and carried out an equality impact assessment. It is satisfied that no group with a protected characteristic will be unfairly disadvantaged.

1. Introduction

Trustees have a legal duty to act only in the best interests of their charity. The Companies Act 2006 applies to all company trustees and from 01 October 2008 trustees have been under a specific statutory duty to avoid a situation in which they have, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company.

This policy sets out the framework for ensuring that the decisions and decision-making processes at the Oxford Diocesan Bucks Schools Trust are, and are seen to be, free from any personal bias and that they do not unfairly favour any individual or company connected to the Trust.

Members, trustees, local governors and senior employees of the Trust have an obligation to act in the best interests of the Trust and in accordance with its Articles of Association in order to avoid situations where there may be a conflict of interest.

Situations may arise where loyalties or family interests conflict with those of the trust. These conflicts may create problems as they can inhibit free discussion, result in decisions or actions that are not in the best interests of the Trust and risk creating the impression that the Trust has acted improperly.

The aim of this policy is to ensure that:

- Every member, trustee, local governor and senior employee understands what constitutes a conflict of interest and that they have a responsibility to identify and declare any conflicts that might arise.
- Every potential conflict of interest is identified, prevented and recorded, ensuring that the conflict does not affect the decision-making of the Trust.

2. Definition

Within this document:

- Members, trustees and local governors are referred to as trustees;
- The Oxford Diocesan Bucks Schools Trust is referred to as the Trust;
- Senior employees are the Chief Executive Office, the Chief Operations Officer, the Chief Financial Officer and the headteachers.

3. Legal Framework

This policy refers to the following legislation and statutory guidance:

- Companies Act 2006
- Conflicts of Interest: A Guide for Charity Trustees
- The EFSA Academies Financial Handbook
- The Articles of Association of the Oxford Diocesan Bucks Schools Trust

4. Definition of a Conflict of Interest

The Trust uses the definition of the Charity Commission which states that a Conflict of Interest is any situation where a trustee or senior employee's personal interests or loyalties could, or could be seen to, prevent the trustees or senior employee from making a decision in the best interests of the Trust.

Conflicts of interest usually arise in the following situations:

a. Benefits to trustees and senior employees

There is a potential financial or measurable benefit directly to a trustee or senior employee, or indirectly through a connected person. Examples of benefits are where the trustee or senior employees decide to:

- Sell, loan lease Trust assets to a trustee or senior employee
- Acquire, borrow or lease assets from a trustee for the Trust
- Pay a trustee for carrying out their trustee role
- Pay a trustee for carrying out a separate paid post within the Trust, even if that trustee has recently resigned as a trustee
- Pay a trustee, or a person or company closely connected to a trustee or senior employee, for providing a service to the Trust. This covers anything that would be regarded as a service and includes legal, accountancy or consultancy services through to electrical work on the Trust's premises, or other maintenance work.
- Employ a trustee's or senior employee's spouse or other close relative at the Trust
- Make a grant to a trustee, or a person who is a close relative of a trustee
- Allow a trustee or senior employee to influence service provision to their exclusive advantage

b. Conflict of Loyalty

A trustee's or senior employee's duty to the Trust may compete with a duty or loyalty they owe to another organisation or person. A conflict of loyalty could also arise where the religious, political or personal views could interfere with the ability of the trustee or senior employee to decide the issue only in the best interests of the Trust. For example, a trustee's or senior employee's loyalty to the Trust could conflict with their loyalty to:

- Another organisation, such as their employer
- Another charity or trust of which they are a trustee or director
- A member of their family
- Another connected person or organisation

The test is always that there is a conflict of interest if the trustee's or senior employee's other interests could, or could be seen to, interfere with the trustee's or senior employee's ability to decide the issue only in the best interests of the Trust.

5. Identifying the Conflict of Interest

Trustees and senior employees are expected to identify any conflicts of interest at an early stage.

A standard agenda item must be included at the beginning of each Trustee Board Meeting and Trustee Committee Meeting to enable the declaration of any actual or potential conflicts of interest.

- If a trustee is uncertain whether or not they are being conflicted, they should always err on the side of openness, declare the issue and discuss it with the other trustees.
- If a trustee is aware of an undeclared conflict of interest affecting another trustee, they should notify the other trustees or the Chair.

If a conflict of interest is identified outside of a meeting, the trustee or senior employee must complete the Trust's Conflict of Interest form and submit it to the Clerk of the Board of Trustees (if they are a trustee or senior employee) or to the Clerk of the Local Governing Body (if they are a local governor).

The Trust's Conflict of Interest form must be completed on an annual basis, or when a trustee or senior employee joins the Trust, to ensure that the Register of Interests is kept up to date.

6. Dealing with the Conflict of Interest

Trustees and local governing bodies must consider the conflict of interest so that any potential effects on decision-making are removed.

Where available, legal or governing document requirements on how a conflict of interest must be handled will be used, however, in serious cases, it can be decided that removing the conflict of interest itself is the most effective way to prevent it from affecting the decision-making. Examples of legal and governing document requirements include:

- The Academies Financial Handbook Section 3:10 Transactions with Related Parties
- The Trust's Articles of Association, Articles 6, 97 and 98 which cover Conflict of Interest

Serious conflicts of interest include, but are not limited to, those which:

- Are so acute and extensive that the trustee is unable to make their decision in the best interest of the Trust or could be seen to be unable to do so.
- Are present in significant or high-risk decisions of the Trust.
- Mean that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach.
- Are associated with inappropriate trustee benefit.

Where there is a proposed financial transaction between a trustee/local governor or senior employee, or any transaction of arrangement:

- The benefit must be authorised in advance by the Finance, Resources, Audit, Pay and Personnel (FRAPP) Committee. If there is no committee meeting planned within the time frame of authorisation being requested, then the Chair of FRAPP plus one other FRAPP committee trustee can authorise the benefit.
- The trustees and local governing body expect the trustee/local governor to be absent from any part of the meeting where the issue is discussed or decided.
- The affected individual should not vote or be counted in deciding whether the meeting is quorate.

Where there is a conflict of loyalty and the affected trustee 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 should declare an interest. The remainder of the trustees must then decide what level of participation, if any, is acceptable on the part of the conflicted trustee. The options might include, but are not limited to, deciding whether the conflicted trustee:

- Having registered and fully declared the interest, can otherwise participate in the decision.
- Can stay in the meeting where the decision is discussed and made, but not participate.
- Should withdraw from the decision-making process in the way described above.
- If a conflict of interest is raised outside of a meeting and there is no meeting planned within the time frame of the conflict needing to be reviewed, the Chair of the Trust plus one other Trustee or Chair of Governors, plus one other Governor, can be contacted to consider the conflict of interest and determine the resolution. If the person affected is the Chair of Governors, then the Chair of Trustees plus one other trustee must consider the conflict of interest and determine the resolution. Where the Chair of Trustees is affected then a Member and one other trustee must consider the conflict of interest and

determine the resolution. The resolutions must be recorded on the Conflicts of Interest log.

In deciding which course of action to take regarding a conflict of interest, trustees:

- Must always make their decision only in the best interest of the Trust.
- Should always protect the Trust's reputation and be aware of the impression that their actions and decisions may have on someone outside of the Trust.
- Should always be able to demonstrate that they have made decisions in the best interest of the Trust and independently of any other competing interests.
- Should require the withdrawal of the affected trustee from any decisions where the trustee's other interests are relevant to a high-risk or controversial trustee decision or could, or could be seen to, significantly affect the trustee's decision-making at the Trust.
- Can allow the trustee to participate where the existence of the other interests poses a low risk to the decision-making in the Trust's interest or is likely to only have an insignificant bearing on their approach to an issue.
- Should be aware that the presence of a conflicted trustee can affect trust, could prevent free discussion, and might influence decision-making in some way.

7. Recording the Conflict of Interest

The Trust must keep a Register of Interests for the Board of Trustees, senior employees and for each Local Governing Body, which must be published on their websites. This Register of Interests must be kept up to date through regular review. A copy of the individual Register of Interest Form is in Appendix A and the Register of Interests Table is in Appendix B.

The Academies Financial Handbook lists what must be included in the Register of Interests and what must be published on the website.

A Declaration of Interest Log must also be kept by the Board of Trustees and each Local Governing Body, which details the potential conflicts, the discussion and the resolutions. A copy of the Log is at Appendix C.

The Logs will be monitored by the FRAPP committee to ensure that actions forming part of the resolution are appropriate, follow legal requirements and have been implemented correctly.

8. Confidentiality

Trustees or senior employees cannot use information obtained from the Trust for their own benefit or that of another organisation if it has been obtained in confidence or has special value such as commercial sensitivity.

9. Monitoring and Compliance

The FRAPP committee will undertake continuous monitoring of its activities and the trustees and senior employees to ensure that any conflict of interest is identified and mitigated as soon as possible.

Trustees and senior employees who fail to declare an interest and are found to be in conflict with the best interests of the Trust will be expected to explain to the FRAPP committee their reasons for their omission.

Members reserve the right to terminate the membership of the relevant trustee, if they are found to have knowingly and deliberately failed to declare an interest and has brought the Trust into disrepute.

It will be treated as a serious disciplinary matter if a senior employee is found to have knowingly and deliberately failed to declare an interest and brought the Trust into disrepute.

10. Policy Circulation

This policy will be published on the Trust's website and included in the Trust's monitoring schedule.

The policy will be circulated annually to every Member, trustees, governor and senior employee via GovernorHub. It will also be included when each new Member, trustee, governor or senior employee joins the Trust.

The trustees, in consultation with the Local Governing Bodies, are responsible for overseeing, reviewing and agreeing the Conflict of Interest policy every four years, or more often if relevant Regulations and guidance changes.

Trustees must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have. This means that they should handle conflicts using the following steps:

- **Identify** conflicts of interest
- **Prevent** the conflict from affecting the decision
- **Record** conflicts of interest

A conflict of interest is any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interest of the charity.

The term 'conflict of interest' is often used to describe one of the following situations:

- Where a person is in a position where their duty as a trustee may conflict with any personal interest they may have
- Where a person may not be able to act properly in a particular capacity because of a person or matter with which they are connected
- Where a person may profit personally from decisions made in their capacity as trustee or from knowledge gained through holding such position.

The general duty on trustees to avoid a conflict of interest does not apply where the conflict of interest relates to a transaction which:

- Has been authorised by the company's articles
- Has been authorised by the Charity Commission or the court

The Oxford Diocesan Bucks Schools Trust is committed to ensuring that all trustees and senior staff act in the best interest of the Trust. Prospective trustees will be asked about potential conflicts of interest, and these should be declared to the Members who will decide on the appointment. Where prospective trustees are likely to be subject to serious or frequent conflicts of interest, the Members should seriously consider whether that trustee should be appointed. Senior staff will also be asked about potential conflicts of interest and a clause in their contract will prevent them acting in this way.

Appendix A

Declaration of Interests Form

I, **Enter Full Name** of Oxford Diocesan Bucks Schools Trust have set out below my interests in accordance with Clauses 6.39(b) and 97-98 the Articles of Association or the Scheme of Delegation guidance on Conflicts of Interest, and guidance on Connected Persons as defined by the Charities Act.

Category See explanatory notes overleaf	Answers should refer clearly to you and to any connected person as indicated overleaf
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments (voluntary or otherwise). e.g. trusteeships, directorships, local authority memberships, magistracy, tribunals etc.	
Membership of any professional bodies, special interest groups or mutual support organisations. <i>e.g. trade union membership</i>	
Companies in which you hold more than 1% of the share capital.	
Gifts or hospitality in excess of £100 accepted in the last 12 months (or such other figure as is given in the Academies Financial Handbook).	
Any contractual relationship with ODBST or any company or other organisation connected with the Multi Academy Trust. <i>e.g. with the local authority or ESFA</i>	
Other schools, MATs or FE colleges where I am a governor, trustee or director	
Any personal interests e.g. Family connections and loyalties within: <ul style="list-style-type: none"> • the school/ trust • a business that might supply the school/trust 	

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the conflicts of interest policy and for no other purpose.

Signed:	
Date:	Click or tap to enter a date.

Position (Select as appropriate):	Choose an item. If Senior Staff: Enter Position
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CONFLICTS OF INTEREST, ODBST Articles of Association Clauses 97-98 Members/Directors /Trustees/Senior Central Staff

97. Any Director 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 Director shall disclose that fact to the Directors as soon as he becomes aware of it. A Director must absent himself from any discussions of the Directors in which it is possible that a conflict will arise between his 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).

98. For the purpose of Article 97, a Director has a Personal Financial Interest in the employment or remuneration of, or the provision of any other benefit to, that Director as permitted by and as defined by Articles 6.5 - 6.9 (to paraphrase: the CEO, and occasionally, by strict definition, a Director also providing a service to the MAT).

CONFLICTS OF INTEREST: (Scheme of Delegation clauses on Conflicts of Interest): Local Governing Body members

Any LGB Member 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 or her duties as an LGB Member shall disclose that fact to the Local Governing Body as soon as he becomes aware of it. A person must absent himself from any discussions of the Local Governing Body in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Academy and any duty or personal interest (including but not limited to any Personal Financial Interest).

For the purpose of paragraph 2.1, a person has a Personal Financial Interest if he or she is in the employment of the Company or is in receipt of remuneration or the provision of any other benefit directly from the Company or in some other way is linked to the Company or the Academy.

In any conflict between any provision of this Scheme of Delegation and the Articles, the Articles shall prevail.
Any disagreement between the members of the Local Governing Body and the Headteacher or any subcommittee of the Local Governing Body shall be referred to the Directors for their determination.
The Local Governing Body shall maintain a register of business interests of its Governors.

Notes on defining the term “Director” and “LGB member”

“Director” and “LGB member” shall include any child, stepchild, parent, grandchild, grandparent, brother, sister or spouse of the Director/LGB member or any person living with the Director/LGB member as his or her partner (ODBST Draft Article of Association 6.9(b)).

Charity Commission Guidance on Connected Persons

If someone is connected to a trustee, they are known as a ‘connected person’. For example:

- a spouse or partner
- siblings
- a brother- or sister-in-law
- parents
- business partner

If a connected person is to be paid or employed by the charity, the trustee or trustees they are connected to must not be involved in any part of the process.

ODBST needs the Charity Commission’s permission to pay or employ someone who is connected to a trustee.

<https://www.gov.uk/guidance/payments-to-charity-trustees-what-the-rules-are>

All those completing this form must also give relevant details of any other family member as listed where the information given may indicate a conflict with the appointee’s duties, as soon as it arises. The Information should be given to the Chair, or to the Clerk (of either the Board or the LGB as appropriate) and be added to their Register of Interests.

Adopted by the ODBST Board, 01 September 2017

Appendix B Register of Interests



Full Name	Appointed By	Date of Appointment	Term of Office	Date they Stepped Down	Relevant Business or Pecuniary Interests	Governance Roles in Other Educational Institutions	Connected Persons

Date of check or update	
Completed by:	
Replaced on website	

Appendix C Declaration of Interests Log



This must be completed and kept by the Board of Trustees (for Trustees and Senior Central Staff) and each Local Governing Body (for Local Governors and Senior School Staff) when a potential conflict is identified.

Full name and position within the Trust		
Nature of the potential conflict/conflicts		
Trustees/LGBs must consider the conflict of interest so that any potential effects on decision-making are removed	Key discussion points:	
The resolution		
Signed		Date:
Name (please print)		