Hayes School
(Part of the Impact Multi Academy Trust)

Policy Document

Policy Name: Conflicts of Interest Policy
Date of Last Review: Summer 2018
Date of Next Review: Spring 2019
SLT Responsible: Business Manager
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Conflicts of Interest Policy

Purpose
The purpose of this policy is to protect the integrity of both the activities and governors of Hayes School thereby ensuring the integrity of the academy and maintaining regulatory compliance to fulfil their legal duty to act only in the best interests of the academy.

Policy
It is the policy of Hayes School that, in the normal conduct of its business, both its activities, staff and governors must be free from conflicts of interest that could adversely influence their objectivity, judgement or loyalty to the organisation. The organisation recognises that some governors may take part in legitimate financial, business, charitable and/or other activities outside their governor role, but any potential conflict of interest raised by those activities must be disclosed at the point of engagement or promptly to the governing body as and when they arise.

Definitions of conflicts of interest
A conflict of interest exists when:

- Any activity undertaken on its behalf, or by someone acting on behalf of Hayes School, has the potential to lead it to act contrary to its interests under the terms of its Articles and Funding Agreement.
- A person who is connected to the school has interests in any other activity which may have the potential to lead that person to act contrary to his or her interests as a governor.
- An informed and reasonable observer would conclude that either of these situations was the case.

Identification and monitoring of conflicts of interest
- The governing body of Hayes School will carry out continuous monitoring of operations and governors to ensure that any conflicts of interest in relation to either its activities or to the activities of employees are identified and mitigated as soon as possible.
- To do this the school will carry out the following:
  
  a) At the start of each academic year all governors of the school, senior leadership team, budget holders and members of the finance department will be required to complete a Declaration of Interests form. This will allow a register to be kept which is open to public inspection. The disclosures should also extend to the interests of a spouse, other close family member or business partner.
  
  b) At the start of each meeting governors and staff will be asked to declare any interests.
  
  c) In relation to identification of potential conflicts of interest governors and staff are required to inform the Chair of any meeting and the Clerk immediately of any potential conflicts of interest that arise at any given point.
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d) A full record will be kept of any such declarations that occur during meetings.

Areas of potential conflict of interest

- Holding a public office
- Being an employee, director, advisor or partner of a business or organisation.
- Directorships, partnerships and employments with businesses that provide goods or services to the trust
- Having a beneficial interest in a trust
- Having received a gift, hospitality, or other benefit from someone/an organisation
- Trustees or governorships including at other educational institutions and charities irrespective of whether there is a trading relationship with the trust
- 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
- Any relationship with Academy staff
- Owning land in the area of the Academy

Governor benefits

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

Register of interests

Governors should keep an updated record of any conflicts of interest in the Academy’s register of interests, which is maintained by the Finance Office. The Academy must publish on its website the relevant business and pecuniary interests of trustees and members. Academies have discretion over the publication of interests of other individuals (close family members or friends) relating to trustees and members.
Declaring interests
- 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.
- A 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.
- If a governor is uncertain whether or not he/she is conflicted, he/she should declare the issue and discuss it with the other governors.
- If a governor is aware of an undeclared conflict of interest affecting another governor, then he/she should notify the other governors or the Chair.

Removing conflicts of interest
- Governors must consider the conflict of interest so that any potential effect on decision making is eliminated.
- 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:
  a) Are so acute and extensive that the governors are unable to make their decisions in the best interest of the Academy and its pupils, or could be seen to be unable to do so.
  b) Are present in significant or high risk decisions of the governors.
  c) Mean that effective decision making is regularly undermined or cannot be managed in accordance with the required or best practice approach.
  d) Are associated with inappropriate governor benefit.

Withdrawing from decision making
- Where there is a proposed financial transaction between a governor and the Academy, or any transaction of arrangement involving governor benefit:
  a) The benefit must be authorised in advance by the Resources committee. If there is no Resources committee meeting planned within the time frame of authorisation being required, then the Chair of the Resources committee and one other Resources governor can be contacted to authorise the benefit. If the person affected is the Chair of the Resources committee then the Chair of the governing body plus one other Resources governor must authorise the benefit.
  b) The governing body expects the affected governor to be absent from any part of any meeting where the issue is discussed or decided.
  c) The affected individual should not vote or be counted in deciding whether a meeting is quorate.
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- Where there is a conflict of loyalty and the affected 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 governor should declare the interest.

- The remainder of the governing body must then decide what level of participation, if any, is acceptable on the part of the conflicted governor. The options might include, but are not limited to, deciding whether the conflicted governor:
  a) Having registered and fully declared the interest, can otherwise participate in the decision.
  b) Can stay in the meeting where the decision is discussed and made, but not participate.
  c) Should withdraw from the decision making process in the way described above.

- In deciding which course of action to take regarding a conflict of interests, governors:
  a) Must always make their decisions only in the best interest of the Academy and its pupils.
  b) Should always protect the Academy’s reputation and be aware of the impression that their actions and decision may have on those outside the Academy.
  c) Should always be able to demonstrate that they have made decisions in the best interests of the Academy and its pupils, and independently of any competing interest.
  d) Should require the withdrawal of the affected governor from any decisions where the governor’s other interest is relevant to a high risk or controversial governor decision or could, or be seen to, significantly affect the governor’s decision making at the Academy.
  e) Can allow governors to participate where the existence of his/ her other interest poses a low risk to decision making in the Academy’s interest, or is likely to have only an insignificant bearing on his/her approach to an issue.
  f) Should be aware that the presence of a conflicted governor can affect trust between governors, could inhibit free discussion, and might influence decision making in some way.

- Governors can, before their discussion, ask a governor who is withdrawing, to provide any information necessary to help make the decision in the best interests of the Academy and its pupils.

Records of proceedings
Governors should record in the minutes details of any and all discussions on potential conflicts of interests and the decisions made.

Confidentiality
Governors cannot use information obtained at the Academy for their own benefit or that of another organisation if it has been obtained in confidence or has a special value such as commercial sensitivity.

**Monitoring and enforcement**
- The governing body of Hayes School 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.
- Governors who fail to declare an interest and are found to be in conflict with the best interests of the Academy will be expected to explain to the governing body his/her reasons for their omission.
- Members may decide to terminate the membership of the relevant governor from the governing body if he/she is found to have knowingly and deliberately failed to declare an interest and has brought the Academy into disrepute.

**Appendix A**

**Annual Conflicts of Interest Acknowledgement Statement**
In accordance with the Conflicts of Interest Policy (“the Policy”), I, the undersigned governor with powers delegated by the governing body of Hayes School Academy Trust confirm that I have:

1. Received a copy of the policy
2. Read and understood the policy
3. Agreed to comply with the policy.

______________________________
Print name

______________________________
Signature

Dated ----/----/----