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Conflict of Interest Policy

Introduction and Aims

At Bridge School Malvern, we want to ensure that the decisions taken by members of staff and by the governing board and Senior Leadership Team are free from personal bias and don't unfairly benefit any individual or company connected to the school. The School is required to comply with the Charity Commission guidance with regard to conflicts of interest and related party transactions. This requires that no governor, employee or related individual or organisation uses their connection to the School for personal gain. Governors must act in the best interests of the school, and in accordance with the trust's Articles of Association, to avoid situations where there may be a conflict of interest. This policy applies to all members of staff, volunteers and governors.

Definitions

A conflict of interest is any situation in which a member of staff, senior leader or governor has a business or personal interest or loyalty that could - or could be seen to - prevent them from making a decision being made only in the best interests of the school. Conflicts of interest can be actual, potential and perceived. They may be financial, professional, personal or indirect.

Senior leaders – Governors and senior staff

Senior Staff - Members of SLT.

Staff - all staff

Trustee- all trustees of the charity Bridge School Malvern are also governors of the school

What must be declared:

Governors must declare:

Any current business interest in a company that could stand to gain from their position on the governing board

Any work for a company that provides or has the potential to provide services to the school

Any relevant pecuniary interest in any contract the school holds or proposes to enter into

Governance roles in other educational institutions

Material interests arising from relationships with other governors (including spouses, partners and close relatives)

Material interests arising from relationships with members of the school staff (including spouses, partners and close relatives)

Business interests of their spouses, partners and close relatives, where there's a possibility that the school will have dealings with that person

School Staff should declare:

Any friendship or family relationship where there is a potential conflict of interest, for example a relationship between staff members, involvement in recruitment involving friends or family members etc.

A relationship to a child within the school

Any current business interest in a company that could stand to gain from their position as a member of the school staff

A member of staff undertakes paid/voluntary work outside of their position at the school that involves pupils from the school

Any relevant pecuniary interest in any contract the school holds or proposes to enter into

Business interests of their spouses, partners and close relatives, where there is a possibility that the school will have dealings with that person

Governance roles in other educational institutions

Any friendship or family relationship where there is potential for a conflict of interest. Staff must be aware of potential conflicts of interest when recruiting

The head teacher and CEO must also declare an interest in relation to matters of their own pay and appraisal, and must not participate in discussions or decisions about these. This is not an exhaustive list. Employees and governors are expected to conduct themselves in a professional, sensitive and confidential manner.

Conflicts of loyalty - this is where a senior leader has a competing legal obligation or duty to another organisation or person or resulting from conflicting loyalties towards family, friends or other people or organisations. A conflict of loyalty could also arise where the religious, political or personal views of a governor could interfere with the ability of the governor to decide the issue only in the best interests of the school.

Legal Requirements

This policy is based on [Companies Act 2006](#). For governors (and overarching principle for employees) as described in the Memorandum and Articles of Association: -

A charity trustee must:

- (1) declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the charity or in any transaction or arrangement entered into by the charity which has not previously been declared; and
- (2) absent himself or herself from any discussions of the charity trustees in which it is possible that a conflict of interest will arise between his or her duty to act solely in the interests of the charity and any personal interest (including but not limited to any financial interest).

Roles and Responsibilities

The Chair of governors working with the HR and Governance Subcommittee will:

- Ensure that the register of interest is completed each year
- Make sure declarations are made at the start of each governor meeting
- Arbitrate decisions about how to deal with conflicts of interests regarding governors and Senior Leadership Team, where appropriate
- Monitor the implementation of this policy and where necessary seek advice.

The Clerk to governors will:

- Maintain the register of interests and update it when governors and Senior Leadership Team inform them of changes to their circumstances and complete annually
- Advise the board on how to deal with conflicts of interests

All governors will:

- Complete declaration of interest form at their induction and annually
- Make sure they inform the chair and clerk immediately of any changes to their circumstances
- Declare their conflict of interest before or during meetings
- Take appropriate actions

The Senior Leadership Team will:

- Complete a Declaration of Interests form at their induction and review annually
- Ensure all new staff receive conflict of interest information at induction and complete a declaration of interest
- Ensure any changes in conflicts are reviewed and recorded and reviewed annually.
- Manage potential and actual conflicts of interests of the staff team.

All members of staff will:

- Ensure they are familiar with the conflict of interest policy
- Declare conflict of interests and potential conflict of interest at induction and

- review annually
- Disclose any changes of activity or relationship that may give rise to a potential conflict of interest

Conflict of Interest in Relation to Examinations

The school will manage any conflicts of interest related to examinations by informing the relevant awarding bodies about any members of staff who are teaching and preparing members of their family (which includes step-family, foster family and similar close relationships) or close friends and their immediate family (e.g. son/daughter) for qualifications that include internally assessed elements.

The school will maintain clear records of all instances where staff have members of their family (which includes step-family, foster family and similar close relationships) or close friends and their immediate family (e.g. son/daughter) entered for examinations and assessments at the school.

Staff members who will need to declare potential conflicts of interest include:

Teachers involved in the preparation of exam papers – i.e. teachers who see question papers before an exam is taken

Teachers who mark public exams

Staff involved in checking examination material prior to the exam (e.g. exams officers, lab technicians for practicals, etc.)

Teachers involved in the marking and moderation of internally assessed coursework

The school will:

Contact all members of staff to ascertain any conflict of interest

Record any confirmed or suspected conflicts and any steps taken to mitigate will also be recorded

Share with the relevant staff member any steps taken to mitigate conflicts of interest, so they are aware of actions in place and any additional requirements they need to adhere to

Inform any awarding bodies of any relevant conflicts of interest

Any member of staff who needs to declare a conflict of interest relating to exams should do so in writing.

Whistle-blowing

Anyone concerned about the integrity of any aspect of the public exams process should raise their concerns with the relevant exam board. Concerns about the conduct of exams at the school should be raised with the headteacher.

If a concern relates to the headteacher, the chair of governors should be contacted. Concerns should be addressed in a reasonable and timely fashion; if they are not, the concern should be escalated in accordance with the school/trust's whistle-blowing policy.

Implementation

In order to fulfil the legal obligations of the School, the senior leaders will:

1. Identify conflicts of interest. It is a legal requirement that governors and staff have an individual personal responsibility to declare conflicts of interest which may affect them. At the staff induction staff will record any conflicts of interest and potential conflicts of interest. All senior leaders will be required to complete a declaration of interests form and return on an annual basis. This return should record:

- All business interests of any significance.
- Offices or posts held with other organisations
- Interests of close relatives where there may be any possibility that the school has dealings with that person/organisation

In addition, there will be an agenda item at all meetings of the governing body to allow declarations of interest to be made.

If a senior leader is uncertain whether or not he or she is conflicted, he or she should err on the side of openness, declaring the issue and/or discussing it with the chair or clerk.

Senior leaders and others who make financial decisions or are involved in financial or purchasing decisions on a regular basis must ensure any conflict is identified and declared immediately.

If any employee perceives there may be a potential conflict of interest in making a decision, but is uncertain as to the correct course of action, he/she should initially speak to the Headteacher or CEO.

If a Governor or employee is aware of an undeclared conflict of interest affecting another Governor or employee, they should notify the Chair, Clerk or Headteacher.

2. Prevent the conflict of interest from affecting the decisions senior leaders and governors must make, ensuring their decisions are made only in the best interests of the school. This means that they must consider the issue of the conflict of interest so that any potential effect on decision making is eliminated. How they do this will depend on the circumstances. Senior leaders are required to declare any interest at an early stage and, in most cases, it will be sufficient for them to withdraw from the relevant meetings, discussions, decision making process and votes.

In cases of more serious conflicts of interest it may mean the senior leaders deciding to remove the conflict by:

- not pursuing a course of action or
- proceeding with the issue in a different way so that a conflict of interest does not arise or even:
- not appointing a particular Governor/employee.

3. Record conflicts of interest. Declared interests of governors and SLT will be recorded in a register and updated annually. Staff will declare any interests at their induction, and be reviewed annually. If interests change, the School

should be advised (via the Head teacher/clerk) as soon as possible.

Any conflict of interest which arises in the course of business must be declared at the relevant meeting and will be recorded (normally in minutes). At recruitment of staff and governors a question will be asked about conflicts of interests or potential conflicts of interests. Any conflict of interest that impacts on recruitment and contracting decisions will be considered by SLT or governors (HRSC) if it applies to the Headteacher and CEO, an email will be shared with HRSC.

4. Disclose - we are under a legal requirement to declare details of any payments and other benefits to senior leaders or connected persons (excluding salaries and other remuneration benefits). This includes family members and businesses and disclosures will be identified to auditors and recorded in the annual accounts/report.

General Guidance

a) The charity commission expects individual staff to be able to identify any conflicts of interest at an early stage. The law says that each individual must avoid putting themselves in a position where their duty to act only in the best interests of the charity could conflict with any personal interest they may have. In practice this means that:

- individuals who fail to identify and declare any conflicts of interest will fail to comply with their personal legal responsibility to avoid conflicts of interest and act only in the best interests of the school
- the governing body/SLT must ensure that any conflicts of interest do not prevent them from making a decision only in the best interests of the charity.

The early identification of conflicts of interest is key to ensuring that Governors/SLT act only in the best interests of the charity

- a conflict of interest exists even where there is the possibility that a person's personal or wider interests could influence decision making
- even the perception that there is a conflict of interest can damage the school. Where the perception is not accurate because there is no conflict of interest, the Governors/SLT should always be able to respond appropriately to the situation by managing the risks and being prepared to explain how they have made their decisions only in the best interests of the school.
- Conflicts of interest may relate to a Governor's or employee's personal interests and the interests of those connected to them. This means that there is a conflict of interest where there is a proposed transaction or agreement between the School and a connected person or a benefit or a potential benefit to a connected person
- The Charity Commission encourages Governors to make the operation of the charity as transparent as possible and therefore this policy is made available on the School website, together with details of interests declared.
- The Governing body will consider conflicts of interest as a pre-appointment issue. Prospective Governors will be asked about potential conflicts of interest, and these will be declared to other

Governors prior to appointment. Where prospective Governors members are likely to be subject to serious or frequent conflicts of interest, the Governors will seriously consider whether that Governor should be appointed.

Conflicts may arise where:

- there is a potential financial or measurable benefit directly to a Governor/employee, or indirectly through a connected person; or
- there is personal gain including benefits or terms that are preferential to those that would be offered to an individual or organisation with no connection to the trust
- a Governor/SLT member's duty to the charity may compete with a duty or loyalty they owe to another organisation or person

b) Benefits to Governors

A governor benefit is any instance where money, or other property, goods or services that have monetary value, are received by a governor from the school. Governors can only benefit from their charity where there is an explicit authority in place before any decision is made. Explicit authority will come from either Articles of Association.

Statutory provision such as the Charities Act, The Charity Commission or Court.

Examples of benefits to governors are where the governors decide to:

- Pay a Governor for carrying out their Governor role
- Pay a Governor for carrying out a separate paid post within the charity, even if that Governor has recently resigned as a Governor
- Pay a Governor for carrying out a separate paid post as a director or employee of the charity's subsidiary trading company
- Pay a Governor, or a person or company closely connected to a Governor, for providing a service to the charity. This covers anything that would be regarded as a service and includes legal, accountancy or consultancy services through to painting or decorating the charity's premises, or any other maintenance work
- Employ a Governor's spouse or other close relative at the School (or at a subsidiary trading company)
- Allow a Governor/employee or their relative special privileges
- Make exceptions to normal policy for a Governor/employee or their families
- Sell, loan or lease company assets to a governor
- Acquire, borrow or lease company assets from a governor for the company

In all the above examples, a Governor or employee with a conflict of interest must withdraw from the decision-making process.

In addition, Governors must not use information obtained at the charity for their own benefit or that of another organisation if it has been obtained in confidence or has special value such as commercial sensitivity.

c) Conflicts of loyalty

The test is always to examine motivation and identify whether there is a conflict of

interest where the other interest could (or could be seen to) interfere with the senior manager's ability to decide the issue only in the best interests of the school.

Deciding that a conflict of interest is low risk, and that the affected Governor/SLT member can participate in the decision, is a judgement for the Governors. It will depend on the particular decision and relevant circumstances. The Governors must take all relevant factors into account and be ready to explain their approach if asked.

Where there is a conflict of loyalty and the affected Governor does not stand to gain any benefit:

- the affected Governor should declare the interest. The other Governors must then decide what level of participation, if any, is acceptable on the part of the conflicted Governor. Ultimately it is for the Governors to decide whether withdrawal is in the best interests of the School when this type of conflict has been declared. The options might include deciding whether the Governor:
 - can participate in the decision
 - can stay in the meetings where the decision is discussed and made but not participate
 - must withdraw from the decision-making process completely

The Governors can, before their discussion, ask a Governor who is withdrawing to provide any information necessary to help make a decision.

d) Any conflicts of interest will be documented, usually in the minutes of meetings. Where there is a conflict of interest, the Governors will ensure that the written record of the decision shows:

- the nature of the conflict
- which Governors were affected
- whether any conflicts of interest were declared in advance
- an outline of the discussion
- whether anyone withdrew from the discussion and where relevant:
- how the Governors took the decision in the best interests of the school.

e) Annual review - All staff are to familiarise themselves with this policy and review declarations annually and confirm to the clerk of the Governor.