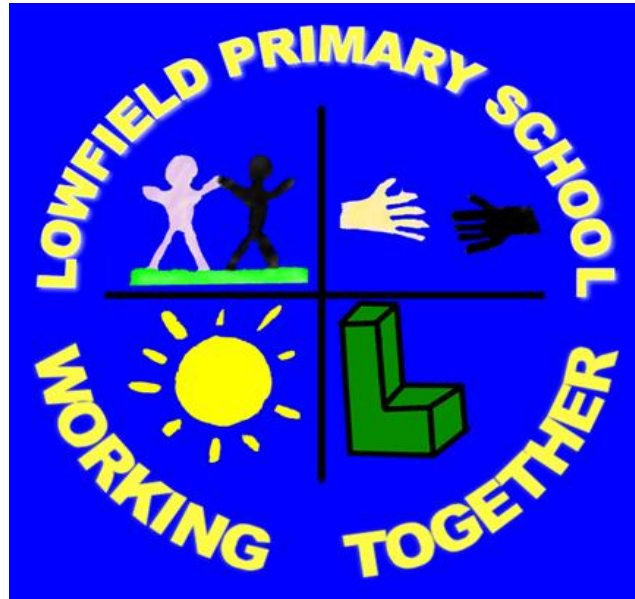




Conflicts of Interest Policy

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Updates in blue

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Statement of intent

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

Members of the governing body 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 school. 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 school has created this policy to:

- Ensure that every 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 school.

1. Legal framework

- 1.1. This policy has due regard to all relevant legislation including, but not limited to, the following:
 - Data Protection Act 2018
 - UK General Data Protection Regulation
- 1.2. This policy has due regard to all relevant guidance, including, but not limited to, the following:
 - DfE (2020) 'Governance handbook'
- 1.3. This policy operates in conjunction with the following school policies:
 - Whistleblowing Policy
 - Declaration of Business and Personal Interest Register
 - Data Protection Policy

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 school'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 school. 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 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 governing body 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 school.
- 3.2. The chair of the governing body is responsible for:
- Ensuring, in liaison with the headteacher, that all members of the governing body have declared any conflicts of interest, in accordance with the Declaration of Business and Personal 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 from the school’s HR team.
 - Setting professional standards of governance and accountability for the body.
- 3.3. The clerk to the governing body is responsible for:
- Keeping an accurate and up-to-date record of interests for all governors, staff and volunteers, which is reviewed annually, and can be accessed by relevant people, e.g. the headteacher.
 - Keeping accurate meeting minutes.
- 3.4. The headteacher is responsible for:
- Ensuring, in liaison with the chair of the governing body, that all members of the governing body have declared any conflicts of interest, in accordance with the Declaration of Business and Personal Interest Register.
 - Ensuring that the 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.
- 3.5. 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.
- 4.2. All staff (including volunteers) will remain objective and act within the best interests of the school and its pupils.
- 4.3. Members of the governing body will declare any conflicts of interest at an early stage and inform the relevant people, e.g. the headteacher.
- 4.4. Members of the governing body will ensure that any conflicts of interest do not prevent them from making a decision that would be in the best interests of the school and its pupils.
- 4.5. Members of the governing body 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
 - Having received a gift, hospitality or other benefit from someone/an organisation

- 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
- 4.6. All interests and connections that could influence the school's reputation with the public will be declared.
- 4.7. If staff, including volunteers, have a relative whom they know to have a declarable interest, this information will be declared.
- 4.8. Only relevant interests will be declared, e.g. the spouse of the owner of a catering service when the 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 governing body could be influenced by their other interests.
- 5.2. Members of the governing body 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 body or committee of which they are a member.
 - The individual that appointed them to the governing body.
- 5.3. Members of the governing body 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 school.

6. The register of interests

- 6.1. Each declaration of interest will be recorded on the school's Declaration of Business and Personal Interest Register.
- 6.2. This register will allow all 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 Declaration of Business and Personal Interest Register:
- One that details the nature of the interests declared that will have restricted access – the full Declaration of Business and Personal 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 office, where they can be accessed by the headteacher and chair of the governing body, 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 school's Data Protection Policy.
- 6.7. The governing body 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 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 Declaration of Business and Personal Interest Register.
- 6.12. The General Interests Register will be published publicly on the school website; however, certain interests of staff members may be omitted from the published copy, unless they are also a governor or relevant member of staff.

7. Governing body benefits

- 7.1. Conflicts of interest can arise where there is a potential or measurable benefit to a member of the governing body, or to a person connected to a member.
- 7.2. Members of the governing body can only benefit from the school where there is an explicit authority in place in the school's governing document.
- 7.3. Governing body benefits include any payments or benefits to members, or a connected person, apart from their reasonable out-of-pocket expenses.
- 7.4. Benefits also include situations where a member of the governing body could receive property, loans, goods or services from the school.
- 7.5. Where there is a proposed sale or lease of land to a member of the governing body, 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.
- 7.6. The payment of reasonable expenses to a member of the governing body is not a benefit and therefore does not create a conflict of interest or require authorisation.

8. Declaring interests

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

- 8.9. If the person making the declaration is the only person making a decision on behalf of the governing body, the declaration will be made to the headteacher.
- 8.10. If the person making the declaration is the headteacher, the declaration will be made to the chair of the governing body.
- 8.11. Staff will declare conflicts of interest to the headteacher and ensure that this information is up-to-date.
- 8.12. If new conflicts of interest arise for governors or staff, they will inform the chair of the governing body or the headteacher and the registers will be updated.

9. Removing conflicts of interest

- 9.1. The governing body 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 governing body will decide on what level of participation in decision-making, if any, is acceptable on the part of the conflicted member.
- 9.5. The governing body 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 governing body will:
 - Always make their decisions in the best interests of the school and its pupils.
 - Always protect the school'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 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 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 governing body, could inhibit free discussion, and might influence decision-making in some way.
- 9.7. If the governing body is discussing the appointment of a post, or making decisions that may lead to a staff vacancy, regarding a role for which a 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 governing body 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 clerk to the governing body 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 the governing body will consider the risks associated with the situation and advice will be sought from the school's HR team. An entry of the situation, including the outcome, will be recorded in the minutes.
- 9.12. The governing body 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 school and its pupils.
 - Are present in significant high-risk decisions of the trustees.
 - 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 governing body benefit.
- 9.14. To remove a conflict of interest, the governing body 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
 - A description of what was disclosed and in what circumstances
 - A cross-reference to an entry in the General Interests Register
 - The chair of the governing body or headteacher will sign and date the recording

11. Non-compliance

- 11.1. Any member of the governing body who fails to reveal information to enable the governing body to fulfil its responsibilities might be in breach of the Governor Code of Conduct and, as a result, be bringing the governing body into disrepute.
- 11.2. The governing body will consider suspending a governor if they fail to declare information that brings the governing body'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 in line with the Disciplinary Procedures Policy.

12. Related Party Transactions

- 12.1. The schools financial value standard (SFVS), which must be submitted to the LA, includes a question about related party transactions. Contracts or agreements with the school's maintaining LA or with trustees of a voluntary school will not be treated as related party transactions.
- 12.2. The school will maintain a record of any related party transactions that have been arrived at through proper procedures and will append this list to the SFVS checklist, using the template for recording related party transactions. The school will not be required to seek authorisation for related party transactions.

13. Monitoring and review

- 13.1. This policy will be reviewed on an annual basis, or when new legislation or guidance regarding the subject is published and requires the approval of the full governing body as it cannot be delegated to a committee.
- 13.2. The governing body will carry out continuous monitoring of its and members' activities to ensure that any conflicts of interest are identified and mitigated as soon as possible.
- 13.3. The governing body will review the Declaration of Business and Personal Interest Register on an annual basis, or when circumstances have changed.