

| | | |
|--|-----------------|----------------|
| Policy Title: Conflict of Interest Policy | Effective Date: | September 2025 |
| LT Member Responsible: Chief Operating Officer | Review Date: | September 2027 |
| Ratified: | Date: | |
| Governors' Committee Responsible: Strategy Committee | | |

1. Rationale

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

Members, Governors /Directors, and Senior Employees of the school have an obligation to act in the best interests of the school 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 personal, family interests or loyalties conflict with those of the school. They 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 impression that the school has acted improperly.

The aim of this Policy is to ensure that:

- Every Member, Governor/Director, 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 school.

2. Legal Framework

- This Policy takes its legal framework from the following legislation and statutory guidance: Companies Act 2006
- Conflicts of Interest: A Guide for Charity Governors.
- The Academy Trust Handbook.
- The Articles of Association of Sheldon School.

3. What is a Conflict of Interest?

The school adopts the definition of the Charity Commission which states that a Conflict of Interest is any situation where a Governor/Governor or Senior Employee's personal interests or loyalties could, or could be seen, to prevent that person from making a decision in the best interests of the school.

Conflicts of interest usually arise in the following situations:

- There is a potential financial or measurable benefit directly to a Governor or senior employee, or indirectly through a connected person. Examples of benefits are where the Governors or senior employees decide to:
 - sell, loan or lease school assets to a Governor or senior employee;
 - acquire, borrow or lease assets from a Governor or senior employee for the school;
 - pay a Governor for carrying out their Governor role;
 - pay a Governor for carrying out a separate paid post within the school, even if that Governor has recently resigned as a Governor;
 - pay a Governor, or a person or company closely connected to a Governor or senior employee, for providing a service to the school. This covers anything that would be regarded as a service;
 - employ Governor's or senior employee's spouse, immediate family member and/or interested other at the school;
 - make a grant to a Governor, or a person who is an immediate family member and/or interested other to a Governor or senior employee;
 - allow a Governor or senior employee to influence service provision to their exclusive advantage
 - make exceptions to normal policy for a Governor or Senior staff member or their families
 - the appointment, or promotion, of an employee at the school.
- A Governor's or senior employee's duty to the school 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 Governor or senior employee to decide the issue only in the best interests of the Trust. Examples of conflict of loyalty could be:
 - another organisation, such as their employer (in the case of a Governor)
 - another charity or trust of which they are a Governor/director
 - a religious or political group
 - a member of their family
 - another connected person or organisation, i.e. trade union, charity

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

4. Managing and Identifying the Conflict of Interest

Governors 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 meeting of the Full Governing Board (FGB) and all Committee Meetings to enable the declaration of any actual or potential conflicts of interest.

If an individual is uncertain whether or not he or she is conflicted, he or she should adhere to full transparency by declaring the issue and enabling discussion as to whether the potential conflict is such, usually on the advice of the governance professional.

If an individual is aware of an undeclared conflict of interest affecting another Governor or individual at the meeting, they should notify the other Governors or the Chair.

If a conflict of interest is identified outside of a meeting, the Governor or Senior Employee must complete a Conflict of Interest Form and submit it to the Chief Operating Officer who will liaise with the governance professional.

On an annual basis, or when a Member, Governor, or Senior Employee joins the Trust, a Conflict of Interest Form must be completed to enable the Register of Interest to be kept up to date and published on the school website.

5. Recording the Conflict of Interest

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

- the nature of the conflict
- which trustees 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 trustees took the decision in the best interests of the academy.

The Trust must keep a Register of Interests for the Board of Trustees, Senior Employees which must be published on the school website. This Register of Interest must be kept up to date through regular review. The Academy Trust Handbook covers what must be captured in the Register of Interest and what must be published on the website:

- Pecuniary interests that are deemed to be relevant and material are as follows:
 - Directorships, including non-executive directorships in Private or Public Companies that seek to do business with the school.
 - Ownership or part ownership of private companies, businesses, and consultancies that seek to do business with the school.
 - Majority or controlling shareholdings in organisations that seek to do business with the school.
 - Any connection with a charity, voluntary or other body contracting or supporting any school activity.
 - Governorships and governorships at other educational institutions and charities irrespective of whether there is a trading relationship with the school.
- The register must also identify any material interests arising from immediate family and/or interested other relationships between the schools Members, Governors, and relationships between Members, Trustees and employees.
- A Declaration of Interest Log must be kept by each Member, Board, and committee meeting, which details the potential conflicts, the discussions and the resolutions.
The Logs will be monitored by the Chair of Governors, advised by the governance professional, to ensure that actions forming part of the resolution are appropriate, are following legal requirements and have been implemented correctly.

6. Monitoring and Reporting

The school's Strategy Committee will undertake continuous monitoring of this policy activities to ensure that any conflicts of interest are identified and mitigated as soon as possible.

Members, Governors and Senior Employees who fail to declare an interest and are found to be in conflict with the best interests of the school will be expected to explain to the Chair of Governors their reasons for their omission.

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

7. Linked Policies and Information

- Academy Trust Handbook
- Risk Register
- Staff Disciplinary Policy