

Conflict of Interest Policy

1.0 Background

1.1 What is a conflict of interest?

A conflict of interest arises when the best interests of an individual Member, Trustee, Locality Committee member, employee or volunteer are, or could be, different from the best interests of the Consortium Trust (The Charity itself, or any of the Academy Schools / settings).

This may be something that affects the individual directly for example:

An individual owns a building company which is currently a little short on work and the charity needs some building work done. As an individual, they would like the work to be given to their company but has a responsibility to choose the best company for the job – which may or may not be that company.

Or it may be something that affects the individual indirectly, through a family member, friend, business partner or other close associate for example:

The Charity is offering a new play scheme for children with disabilities, but the number of places is very limited, an individual has a disabled nephew who would benefit from a place. As an individual there is a responsibility to ensure that all places are offered on a fair basis to those most in need – which may or may not include the nephew.

Conflicts of interest may be ongoing, for example someone who is related to a service user or is also a trustee of another local organisation, or they may be one off for example awarding a one-off contract.

- 1.2 A conflict of loyalty is a particular kind of conflict of interest where the duties the individual owes to another body or organisation are or could be in conflict with the duties owed to the Charity.

For example:

A trustee sits on two different trustee boards and both organisations are planning to apply for the same funding opportunity which is competitive and which only one organisation can win.

In some cases, an ongoing conflict may affect an individual's ability to participate in decisions so often or so much, that it is impractical for them to continue in post (or to accept the post in the first place).

2.0 Duty to the Academy School / setting and the Consortium Trust.

- 2.1 There is a duty to put the best interests of the Academy School / setting and the Consortium Trust first and to safeguard the assets and reputation of the Charity. There is also a duty to avoid conflicts of interests.

- 2.2 Where conflicts do arise, there is an obligation to declare that conflict.

- 2.3 Benefit is not limited to financial benefit but includes favourable treatment of any kind which could be said to have a financial value. This includes biased access to services or employment opportunities.

- 2.4 In practice, this almost always means that individuals cannot receive benefit for their work as a Member, Trustee, Locality Committee member, employee or volunteer, in many instances they can be paid for additional services which are not part of the Member, Trustee, Locality Committee member, employee or volunteer role such as the example of the building work given **prior**, provided that it is in the best interests of the *Consortium* Trust, Academy School / setting.
- 2.5 A Member, Trustee, Locality Committee member, employee or volunteer can be reimbursed for expenses, and these include any costs that are necessary to allow them to carry out their duties and can be claimed back (against receipts) in accordance with the Trust policy.
- 2.6 The no benefit requirement also does not mean that an individual or their friends and family cannot receive services from the Consortium Trust, providing that they receive them on exactly the same basis as everyone else.
- 2.7 There are intangible benefits to being a Member, Trustee, Locality Committee member, employee or volunteer, including increased skills and knowledge, a wider circle of colleagues and friends and a sense of fulfilment and achievement. Generally, these do not give rise to conflicts of interest.
- 3.0 What Problems Can Arise?**
- 3.1 Conflicts of interest can give rise to a number of problems. They may:
- Result in decisions or actions that are not in the best interest of the *Consortium* Trust, Academy Schools /settings
 - Risk the impression that the organisations have acted improperly
 - Prevent frank and open discussion
- 3.2 Even the appearance of a conflict of interest can damage the reputation of the Consortium Trust, Academy Schools settings, so any conflicts need to be managed carefully and transparently.
- 4.0 Conflict of Interest Policy**
- 4.1 This policy makes it clear that the Consortium Trust is committed to ensuring its decisions and decision making processes are, and are seen to be, free from personal bias and do not unfairly favour any individual connected with it.
- 4.2 The policy protects both the organisation and the individuals involved, from any appearance of impropriety, and provides guidance on what to do when conflicts of interest arise.
- 4.3 It provides a clear framework and process to make sure that conflicts are handled consistently and properly.

Conflict of Interest Policy Statement

5.0 Definition

5.1 A conflict of interest arises when the best interests of an individual are or could be different from the best interests of the *Consortium* Trust, Academy Schools / settings.

5.2 This may be something that affects the individual directly or indirectly through association.

6.0 Statement of Intent

6.1 The Consortium Trust, the Academy Schools / settings are committed to ensuring its decisions and decision making processes are, and are seen to be, free from personal bias and do not unfairly favour any individual connected with them.

7.0 Policy

7.1 It is the policy of the Consortium Trust, Academy Schools / settings:

- Ensure that all individuals understand what constitutes a conflict of interest and that they have a responsibility to recognise and declare any conflicts that might arise for them.
- Document the conflict and the action(s) taken to ensure that the conflict does not affect the decision making of the organisation.
- All Members, Trustees, Locality Committee members and staff will complete and file a Register of Pecuniary and Other Interests form and at least annually review and update this document. This document includes Related Party Interests.
- The *Consortium* Trust has a strict no related party transaction approach.
- Declare at each meeting any interest that may result in a conflict arising on the agenda.

7.2 In the interests of frank and open discussion, an individual affected by conflict of interest must leave the room when related discussion/decision making is taking place, unless there is a good reason for them to stay (and they will not participate in any vote in relation to the area of interest).

7.3 The minutes should state:

- The declared conflict of interest
- That the individual left the room or the reason that they were asked to stay
- That the individual took no part in the discussion or decision making on the matter (other than information provided if requested)
- That the meeting was quorate (not counting the affected individual)
- Any other actions taken to manage the conflict.

7.4 The declarations made on the Register of Pecuniary and other Interests forms will be publicly available on the website in line with DfE regulations regarding declarations.

7.5 If an individual is unsure what to declare, they should err on the side of caution, and discuss the matter with the Chair of the Committee or the Chair of Trustees for confidential guidance.

Document Control

Changes History

Version	Date	Amended By	Details of Change
V2	02/04/2020	Principal/CEO	Routine review and updated terminology
V3	15/01/2024	CEO	Routine review

Approval

This policy will be reviewed annually by the CEO or as required by changes in legislation.

At every review, this policy will be approved by the Finance & Resources Committee.

The policy was last approved by the Finance & Resources Committee on 07/03/2024.

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