

drb Ignite Multi Academy Trust

Conflict of Interests Policy

drb Ignite Multi Academy Trust Vision

The drb Ignite Multi Academy Trust has been established through a shared belief that lives can be transformed by what goes on in schools. We believe that the process of teaching and learning shapes futures. To this end our vision is to give every pupil learning experiences that excite them and give them the power to begin to shape their own lives.

Vision

all pupils achieve the highest standard of educational outcomes regardless of circumstances or background.

Policy

This Policy sets out the process that needs to be followed by Members, Trustees, Executive Governance Group Members and staff to avoid any real or potential conflicts of interest.

The Trust is committed to undertaking, and being seen to undertake, all of its activities to the highest possible standards of propriety and integrity expected of a publicly funded organisation.

The Trust, its staff, members, trustees and executive governance group members will act fairly, honestly and with integrity in all aspects of what they do. They will uphold the highest standards of public conduct and, at all times, act in the interests of the Trust.

All are specifically expected to apply the Seven Principles of Public Life established by the Nolan Committee:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

These are supplemented by the requirement to report and record potential/real conflicts of interest as described in the Academies Financial Handbook 2018 and Governor's Handbook 2017. Conflicts of interest cannot always be eliminated but they need to be identified so that they can be avoided or managed appropriately in accordance with this Policy.

(NB.The Trust's **Trustees Expenses Policy** sets out the entitlement of trustees to expenses properly incurred during the conduct of Trust business. Other than entitlement to expenses in line with this Policy, Members, Trustees and Executive Governance Group Members are expressly not entitled to any form of remuneration or other financial reward or benefit for undertaking their role).

Application of the Policy

This Policy applies to all drb ignite Trust Members, Trustees, Executive Governance Group Members and staff. It sets out the **minimum requirements that must be met**.

On any occasion where an individual is concerned that a particular circumstance or event, whilst complying with this Policy, may still lead to a potential or actual conflict of interest (whether real or perceived), they should consult with the Clerk to the Trust Board or Operations Manager to seek further advice.

Conflicts of Interest

A Conflict of Interest exists where an individual's personal interests or loyalties could, or could be seen to, prevent them making a decision which is in the best interest of the Trust.

A Conflict of Interest will occur when there is a divergence between an individual's private interests or loyalties (or those of any Connected Parties) and the interests of the Trust and its schools such that an independent observer might reasonably question whether the individual's actions or decisions are determined by considerations of personal gain, whether financial or otherwise. This policy should therefore be read in conjunction with the Trust's Avoidance of Gain Policy.

A Conflict of Interest is a set of circumstances that creates a risk that an individual's ability to discharge their duty to act in the best interests of the Trust is compromised because their judgement could be impaired or influenced by a secondary interest.

Conflicts might occur due to the possibility of individuals or Connected Parties having: -

- direct or indirect financial/commercial interests
- non-financial or personal interests
- conflicts of loyalty where decision makers may have competing loyalties between the Trust and the other person or entity

Declaration of Interests

This Policy sets out the requirements which individuals must comply with in respect to making appropriate Declaration of Interests where those interests could potentially conflict with the interests of the Trust and/or its schools. Individuals have a duty to make a Declaration of Interest in accordance with this Policy.

Individuals are required to make an annual Declaration of Interests. Any changes during the year must be notified in a new Declaration of Interest within 28 days of the interest being known.

For Members, the annual declaration should be completed at the Trust's Annual General Meeting. For Trustees, Executive Governance Group members and staff the annual declaration should be made at the beginning of the academic year.

Annual and updated declarations should be made using the Declaration of Interests form at **Appendix 1**. Other declarations can be made during the day to day business of the Trust, for example during Trust Board meetings and meetings of its sub- committees or as part of a procurement process.

Individual Declaration of Interests will be collated to form a Register of Interests. The Register will be managed by the Manager of Business Operations with a copy available to the Chief Executive Officer, Executive Team, Trust Board Chair and headteachers (for schools).

The Register will be used to identify any potential, actual or perceived Conflicts of Interest in order to enable the Trust to avoid or appropriately manage them. For example, it will be used to ensure that the Trust's procurement and trading activity is fair to all parties involved and to help the Trust ensure that the highest standards of propriety and conduct are met, especially in respect of Connected Party transactions. This will ensure full compliance with the Academies Financial Handbook 2018.

An extract of The Register, relating to schools, will also be provided to headteachers.

If an individual believes that there is a potential Conflict of Interest which is inappropriate to be shown on The Register, for personal reasons he/she must set out a case to the Chief Executive who will decide, in conjunction with the Trust Chair. There will be a presumption that all declarations are shared unless there are circumstances that apply which would make this inappropriate and if the redaction from the Register cannot lead to a potential Conflict of Interest occurring or would prevent it from being managed appropriately. It should be noted that it is a disciplinary offence for any member of staff who legitimately has access to the Register to disclose the contents of it except where this is necessary for them to properly discharge their duties.

Members, Trustees and Executive Governance Group members have a standard agenda item at the beginning of each meeting to declare any actual or potential Conflict of Interests. Individuals should declare any interest which he/she has in an item to be discussed, before the item is discussed. If an individual is uncertain if he/she is conflicted then he/she should declare the issue and discuss it.

If an individual is aware of an undeclared Conflict of Interest affecting another Member, Trustee or Executive Governance Group member or a Connected Party he/she should declare this.

Where there is a declared Conflict of Interest the individual should withdraw from the meeting, discussion, decision making or voting that takes place concerning that Conflict of Interest or a Connected Party's interest(s).

Pecuniary and Non-Pecuniary Interests

There are a variety of potential interests that individuals may have that could potentially conflict with their duty to always act in the best interests of the Trust and its schools. Those listed below must be declared:

1. Pecuniary Interest

Pecuniary (monetary/financial/business) interests include, but are not restricted to:

- a financial interest in a company or organisation if he/she or any nominee of his/hers is the beneficial owner of more than 1% of the issued capital (e.g. shares, bonds etc.);
- employment in any business that provides goods, services or consultancy to the Trust or its schools.

2. Non-Pecuniary Interests

Non-pecuniary (non-monetary/financial) interests include, but are not restricted to: -

- individuals being the partner or related to other members of staff or trustees, members or executive governance group members
- pursuit of a business interest/opportunity which is in potential conflict with the best interests of the Trust
- where any individual's partner or relative may have a pecuniary interest
- pursuit of a business interest/opportunity which is in potential conflict with the best interests of the Trust
- a professional or legal responsibility to someone else or some other body which is in potential conflict with the best interests of the Trust or its schools
- having a beneficial interest in another Trust which is in potential conflict with the best interests of the drb Ignite Trust
- having received/or about to receive a gift, hospitality or other benefit from an organisation that has or is likely to do business with the Trust
- membership of a society or other organisation which is in potential conflict with the best interests of the Trust, including Trusteeships and Governorships at other educational institutions or charities (irrespective of whether there is a trading relationship with the Trust or its schools)

- holding another public office
- close personal relationships with people or organisations that may, or do, undertake business with the Trust or its schools
- a potential benefit in the future, such as the offer of employment or other benefits, from an organisation that undertakes or could undertake work on behalf of the Trust or its schools

All pecuniary and business interests of Members and Trustees will be published on the Trust's website as required by the Education and Skills Funding Agency (hereafter referred to as ESFA).

Connected Parties

For the purposes of this policy a Connected Party is defined as any individual or organisation **connected to a Member, Trustee, Executive Governance Group member or staff member**. For these purposes the following persons are considered as **connected parties**:

- a relative of a Member, Trustee, Executive Governance Group member or staff member. A relative is defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but may not be limited to, a child, step-child, parent, step-parent, spouse or civil partner;
- an individual or organisation carrying on business in partnership with the Member, Trustee, Executive Governance Group member or staff member or a relative of the Member, Trustee, Executive Governance Group member or staff member;
- a company in which an individual or the relative of an individual (taken separately or together) holds more than 20% of the share capital or is entitled to exercise more than 20% of the voting power at any general meeting of that company;
- an organisation which is controlled by a Member, Trustee or Executive Governance Group member. For these purposes an organisation is controlled by an individual or organisation if that individual or organisation is able to secure that the affairs of the body are conducted in accordance with the individual's or organisation's wishes;
- any individual or organisation that is given the right under the Trust's Articles of Association to appoint a Member, Trustee or Executive Governance Group member; or anybody related to such an individual or organisation;
- any individual or organisation recognised by the Secretary of State as a sponsor of the Trust; or anybody related to such individual or organisation.

For information

A body is **related to** another individual or organisation if it:

- is **controlled by** the individual or organisation
- **controls** the organisation; or
- **is under common control** with the individual or organisation

For these purposes **control** means:

- holding more than 20% of the share capital (or equivalent interest);
- having the equivalent right to control management decisions with regard to the body
- having the right to appoint or remove a majority of the board or governing body.

In the case of Connected Parties, the interests of a Connected Party are deemed also to be the interest of the Member, Trustee, Executive Governance Group member. Declarations of Interest must include those of the Connected Party where the interest may cause the Member, Trustee or Executive Governance Group member to have a conflict of interest.

Personal relationships and family members

Individuals should declare if they are related to or have a partner who is a member of staff or member, trustee or executive governance group member.

Individuals who have declared a partner or family member who is a member of staff must not be involved in the recruitment, selection, appraisal, promotion or other processes involving that member of staff or where conflict of interest may exist.

Applicants for jobs within the Trust and its schools will be asked to declare whether they are related to, or are closely acquainted with, any members of the Trust Board, Executive Governance Groups or senior managers within the Trust or its schools.

How information will be stored and processed

All information supplied by individuals will be held centrally and the details collated and recorded on a Register of Interests. This will remain confidential subject to the provisions of the Data Protection Act, the Freedom of Information Act, GDPR and the requirements of the ESFA.

The Trust's Operations Manager will be the Data Controller and will maintain the Register of Interests.

The Trust will publish on its website details of relevant business and pecuniary interests of Trustees and Members. The Trust has discretion over the publication of the interests of other individuals including parent, spouse, civil partner, cohabitee in accordance with ESFA requirements.

As a public authority, the Trust may be subject to requests made under the Freedom of Information Act 2000 either to provide this Policy or for information from the Register of Interests. Wherever possible, the Trust will answer any such requests without revealing the names of any individual who has made a declaration unless this information is part of the extract of the Register of Interests published on the Trust's website. If personal details of those who have made declarations are requested that are not already in the public domain, the Trust will, where appropriate, consult with those individuals before disclosing any additional personal information that may be in the public interest to disclose in accordance with the Act.

Individuals are assured that any Declaration of Interest will be processed in compliance with the data protection principles as set out in the Data Protection Act 1998 and GDPR Requirements. The data will be processed to identify any potential, actual or perceived conflicts of interest to enable the Trust to avoid or appropriately manage them and to help protect the Trust's interests and also to protect the individuals concerned against allegations of acting in their own interests, rather than those of the Trust.

In general terms, if in any doubt, individuals are advised to declare an interest or potential interest for their protection.

Individuals should be aware that, in accordance with the Data Protection Act 1998, personal data may be disclosed to external parties without needing specific consent during the normal course of the Trust's business activities, including where such purposes have been registered with the Information Commissioner's Office. This may be for accounting, analysis and audit purposes and also to prevent or detect crime, for example.

A person making a Declaration of Interest may at any time request a copy of their current declarations on application to the Business Operations Manager. The data contained within Declarations of Interest forms and The Register of Interests will be kept securely in electronic formats. Relevant extracts published on the Trust's websites will be made accessible to the general public as required by the ESFA as noted above.

Decision Making

Where there is a clear conflict of interest e.g. a proposed transaction between an individual and the Trust, the individual must follow the procedure set out in the Trust's Articles of Association for absenting themselves from the decision-making process.

However, there will be a presumption against recommending any proposed related transaction. Recommendations to enter such a transaction would be made to the Trust Board by the Chief Executive in only two circumstances: -

- i) if the arrangements not to enter the transaction would contravene Public Contracts Regulations or EU Procurement law

- ii) in the unlikely event that the goods and/or service are so unique that they cannot be secured from another source and there is no other solution that offers the same value for money.

In the event of a decision being made to award a contract to a Member, Trustee or Connected Party the Trust will only enter the contract if it has been properly procured in a fair and open process and if the Member or Trustee, or Connected Party, can provide:

- a **statement of assurance** from that individual or organisation to the Trust confirming that their charges do not exceed the cost of the goods or services (*principle of at cost*)
- an **open book agreement** including a requirement for the supplier to demonstrate clearly, if requested, that their charges do not exceed the cost of supply.

For these purposes, the cost will be the '**full cost**' of all the resources used in supplying the goods or services. The full cost includes:

- all direct costs (the costs of any materials and labour used directly in producing the goods or services); and
- indirect costs (comprising a proportionate and reasonable share of fixed and variable overheads).

Full cost must not include an element of profit.

In the event of the above requirements being met in full, before a decision to enter a transaction with an individual or connected party is made the Trust Board must consider whether the transaction could be seen to be '*Novel or Contentious*'. If so it must be referred to the ESFA for explicit prior approval.

Failure to follow this policy

Individuals who do not follow this Trust Policy may be in breach of their duties and may be subject to internal action within the Trust. In certain circumstances individuals may also be subject to external sanction, including being barred from undertaking the role of a company director or trustee and in exceptional cases being subject to criminal prosecution.

The ESFA may also issue a Financial Notice to Improve (FNtI) to the Trust when there is deemed to be irregular use of public funds or inadequate financial governance and management (including breaches of the duties, principles and requirements governing connected party relationships and transactions). Failure to comply with an FNtI can, in exceptional circumstances, also result in the termination of a Trust's Funding Agreement.

If individuals believe any of their number are undertaking activity that leads to personal gain they can also report their concerns using the Trust's Whistle Blowing Policy and associated procedure.

Monitoring and review	Headteachers CEO CFO Trust Chair Risk and Audit Committee
Links	Anti-Fraud Policy Code of Conduct for Trustees Code of Conduct for Staff Gifts Hospitality and Bribery Policy Whistleblowing Policy
Staff responsible	Headteachers CEO
Committee responsible	Trust Board
Date approved	November 2017
Reviewed	November 2018
Next review	November 2019
Sign off by Chair of Trust	 Date: November 2018

*Please note that should there be any changes/further national guidance issued relevant to this policy, it will be updated accordingly prior to the review date shown above and referred to the next Trust Board meeting.

Change Management

Issue No.:	Change date:	Change description:
1.0	Nov'17	Initial release
2.0	Nov'18	Rebranded, updated and Signed off and released.



CONFLICT OF INTEREST POLICY

Document Control
Reference: CFIT-DOC-34.0
Issue No: 2.0
Issue Date: Aug'18
Page: 11 of 13
Classification: *Public*

APPENDIX 1

DECLARATION OF INTEREST FORM

Name:

Position:

I confirm that I have read and understood the Trust's Conflict of Interests Policy

I set out below, under the appropriate headings, my interests which are required to be declared under the Conflict of Interests Policy.

I have stated 'none' where I have no such interests under a heading.

A zero return is required.

Pecuniary Interests

Name of Business	Nature of Business	Nature of Interest	Date interest Began

Pecuniary Interests of Connected Parties

Name of Connected Party	Name of Business	Nature of Business	Nature of Interest	Date Interest Began

Non-Pecuniary Interests

Interest	Nature of Interest	Date interest Began

Non-Pecuniary Interests of Connected Parties

Name of Connected Party	Interest	Nature of Interest	Date Interest Began

To the best of my knowledge, the above information is correct. I give my consent for it to be used for the purposes described in the Conflict of Interests Policy, but for no other purpose.

Name:

Date:

Signed:

Date: