



## CONFLICT OF INTERESTS POLICY

Author	Headmaster
This Policy was approved by the Proprietors:	Summer 2022
The implementation of this policy will be monitored by the:	Proprietor
Monitoring will take place:	Every 2 years
This Policy will be reviewed every 2 years or more regularly in the light of any significant new developments. The next anticipated review date will be:	Summer 2024
Should serious incidents occur, the following person/s should be informed:	Headmaster

### 1 INTRODUCTION

- 1.1 This policy provides guidance on identifying conflicts of interests and sets out the policy of the School on managing conflicts throughout the organisation.
- 1.2 This policy is subject to and should be read together with the School's constitution.
- 1.3 Please also refer to the individual declaration of interests form
- 1.4 The Directors, are required to act only in the best interests of the School and in accordance with the School's constitution and company law and to avoid situations where there may be an actual or potential conflict of interests.
- 1.5 The Directors also owe a duty of confidentiality to the School, to keep confidential matters discussed and decided by them (save where required to be disclosed by law or in the best interests of the School, e.g. where required by ISI).
- 1.6 The Directors also have a duty to disclose to the School any information of which they are aware which is relevant to the School's interests or a matter under discussion. The duty of loyalty owed by the Directors to the School also requires that each Director is aware of the potential for conflicts of interests, duties or loyalty and acts openly in dealing with such situations.
- 1.7 Conflicts of interests may arise where an individual's personal, family or business interests and/or loyalties conflict (or may conflict) with those of the School. Such conflicts can create problems by inhibiting free discussion; resulting in decisions or actions which are not in the best interests of the School and risking the impression that the School has acted improperly. The aim of this policy is therefore to protect both the School and the individuals involved with the School from any appearance of impropriety.

## **2 SCOPE OF THIS POLICY**

Although the policy will be of primary interest to Directors, who have a legal obligation to act in the best interests of the School and to avoid situations where there may be an actual or potential conflict of interests, the head, bursar and other members of the school staff and any volunteers may also find themselves subject to conflicts of interests. Staff have obligations of loyalty and mutual trust and confidence to the School and since conflicts may arise throughout the School this policy is relevant to all individuals involved with the organisation.

## **3 IDENTIFYING A CONFLICT**

### **3.1 Examples of common types of conflict include:**

3.1.1 conflicts between a Directors' personal financial interests and those of the School;

3.1.2 conflicts between the financial interests of someone connected to a Director and those of the School, for example, payments to a Director's relative;

3.1.3 conflicts to which 'parent Directors' are subject in relation to decisions by the Proprietor to review the School's fees; and

3.1.4 non-financial conflicts, for example, the interests of two organisations with which a Director or staff member is involved conflicting with each other (i.e. a conflict of loyalties). An example is where a Director is also a director of the School's trading subsidiary company; the Director will owe duties to the School but will also owe duties to the trading company as director and the two may conflict.

3.2 For the Directors, a useful test is to regard an "interest" as a very broad term, which includes anything or any connection that could potentially divert a Directors' mind from giving sole consideration to fulfilling the objects of the School.

3.3 An individual Director should not benefit, whether financially or otherwise, from their position beyond what is permitted by law and what is in the best interests of the School.

3.4 If a Director has any doubt as to whether a particular circumstance represents a potential or actual conflict of interests, they should speak to the Proprietor in the first instance, who will confirm whether a declaration should be made in accordance with paragraph 4.1 below.

3.5 Any other individual involved with the School who is uncertain as to whether they should notify the School about a particular circumstance should discuss the matter with the Headmaster, who will then decide whether the matter should be entered in the School's register of interests in accordance with paragraph 6.

## **4 DECLARING AN INTEREST**

- 4.1 All Directors and members of the senior staff shall, on appointment, complete a declaration of interests form (in the form attached at Annex 1 to this policy) in respect of themselves, their spouses, partners, close relatives and business associates, as appropriate. Directors and members of the senior staff must thereafter take responsibility for ensuring the declaration is up-to-date, including reviewing the declaration on an annual basis.
- 4.2 If a Director, member of the senior staff or other staff member or volunteer has a conflict of interest in relation to a particular contract, the conflicted individual must declare their interest (in accordance with this policy) and not be involved in managing or monitoring the relevant contract.
- 4.3 Whenever a Director or a person with whom the Director is closely connected has a personal or financial interest directly or indirectly, or any interest which could be perceived to lead to a conflict of interest in a matter to be discussed at a meeting, the Director concerned shall:
- 4.3.1 declare that interest before discussion begins on that item;
  - 4.3.2 withdraw from the meeting for any discussion of that item unless expressly invited to remain in order to give information;
  - 4.3.3 not be counted in the quorum for the part of the meeting devoted to that item; and
  - 4.3.4 withdraw during the vote and have no vote on that item.
- 4.4 A declaration of interests is the responsibility of each individual Director. However, the Proprietor shall draw to a Directors' attention any potential conflict of interest which may be apparent from the Directors' entry in the register of interests and the agenda or any associated papers for the relevant meeting.
- 4.5 If a Director is aware that another Director has an actual or potential conflict of interests which has not been declared, they must notify the Proprietor.

## **5 MANAGING A CONFLICT OF INTERESTS**

- 5.1 Where a conflict of interests is declared in relation to any particular matter, the unconflicted Directors shall determine any further requirements they consider necessary to manage the conflict in the best interests of the School.
- 5.2 Example – conflict of duties
- 5.2.1 Where the conflicted Director owes duties of confidentiality and disclosure to both the School and another body related to the matter, for example due to the Director being a director of the School's trading subsidiary company, the

unconflicted Directors need to satisfy themselves that the conflict of duties can be managed in the best interests of the School. For example:

- (a) where the Company's minutes will contain confidential information relevant to the subsidiary company, it would be expected that the conflicted Directors would need to obtain a release from the company from their duty as a director to disclose the information to the company, so that the conflicted Director does not breach their duty of confidentiality to the School.
- (b) where the conflict may cause the to know confidential information arising from their role as director of the company which is relevant to the interests of the School, it may be necessary for the conflicted Director to obtain a release from the company from their duty of confidentiality to the company, so that the conflicted Director does not breach their duty of disclosure to the School.

5.2.2 If the unconflicted Directors are asked to agree to reciprocal releases in such a situation, they may only agree if they can demonstrate that it is in the best interests of the School to do so.

### 5.3 Example – conflict of interests

5.3.1 Suppose a Directors' nephew applies for a paid employment position in the School. The Director would declare their interest and not take part in the appointment process for the position. The Director would also not be able to share with the nephew any knowledge obtained in their position as Director which is not in the public domain.

5.3.2 If the nephew is appointed, the unconflicted Directors would need to consider any further steps which may be necessary to manage the ongoing conflict created by the nephew's employment, for example ensuring that the Director is absent from any discussions of the nephew's employment terms or performance. The Director would also need to comply with their duty of confidentiality not to disclose details of such discussions which may appear in the Proprietor's minutes.

## 6 REGISTER OF INTERESTS

6.1 The School shall maintain a central register of interests (in the form attached at Annex 2 to this policy) which shall be reviewed by the Proprietor annually.

6.2 The register of interests shall include the Directors' interests as per their individual declarations of interests.

6.3 The register shall also contain any material conflicts as notified by members of the senior staff or other staff members and volunteers throughout the School which the head considers should be included.

- 6.4 The Directors shall be responsible for maintaining the register of interests.
- 6.5 Any information provided will, so far as relevant, be processed in accordance with data protection principles as set out in the General Data Protection Regulation (EU) 2016/679, the Data Protection Act 2018 and/or the data protection law applicable from time to time. The information provided will be processed only for the purposes of this policy and will not be used for any other purpose.

## **7 DIRECTOR BENEFIT**

- 7.1 This policy addresses conflicts of interests. It does not address the proper authorisation of any direct or indirect benefit for a Director.
- 7.2 A Director cannot receive a benefit from the School, whether directly or indirectly, unless they have an adequate legal authority to do so. In addition, to comply with this policy, it will be necessary for any Director benefit to be authorised in accordance with the School's constitution and the law before any such benefit is received by the Director (or, as the case may be, the person or organisation connected with them). Any failure to do so may result in a breach of duty and a requirement to account to the School for any benefit received.
- 7.3 Where a Director receives a payment or benefit directly or indirectly from the School, it must be reported to those preparing the School's accounts so that, where required, it can be reported in accordance with the Charities SORP.

## **8 PERSISTENT MATERIAL CONFLICTS**

In the event that there is a persistent material conflict of interest which affects the ability of a particular Director to carry out their duties then the Director concerned should consider whether it is in the best interests of the School that they continue as a Director of the School. In the event of a conflict considered by the unconflicted Director to be so fundamental or pervasive that it would be inappropriate for the individual to remain a Director, procedures may be put in motion which may result in the individual being asked to retire from the Proprietor in accordance with any procedures set out in the School's constitution. In such a case, the Director will have an opportunity to be heard. However, in the event that a Director is asked to retire, they should respect the majority decision and retire at the earliest opportunity in accordance with the School's constitution.

## **9 DATA PROTECTION**

The information provided under this policy will be provided by the School in accordance with General Data Protection Regulations protection principles set out in the Data Protection Act 2018. Data will only be provided for the purposes of this policy and not for any other purpose.

Related Policies: Anti-Fraud, Bribery & Corruption Policy





# St Edward's

## CHELTHENHAM

### ANNEX 1

### DECLARATION OF INTERESTS

I [ ] set out below my interests in accordance with the School's

Conflict of Interests Policy.

Position within the School:		
Date last updated:		
Category	Details of Interest – <i>[Please insert brief details of the interest and whether it applies to you, or where appropriate, a member of your immediate family, a connected person or some other close personal or business connection.]</i>	Date interest first arose
Employment	<i>[Details of all relevant employers in the last 24 months, including self-employed consultancy or commission-based work.]</i>	
Business	<i>[Details of all relevant businesses in which you are a partner or sole proprietor or have a position of general control or management.]</i>	

Company Directorships/ Charity Directorships	<i>[Details of all relevant companies or charities of which you are a director/Director.]</i>	
Any other relevant appointments (voluntary, honorary or otherwise)	<i>[Details of relevant appointments e.g. directorships, local authority membership, tribunals etc. If the position is pecuniary please indicate the level of benefit accruing.]</i>	
Memberships	<i>[Details of any relevant professional bodies, special interest groups or mutual support organisations.]</i>	
Investments	<i>[Details of relevant investments in unlisted companies, partnerships and other forms of business, major shareholdings (more than 5% of issued capital) and beneficial interests.]</i>	



<p>Gifts or hospitality</p>	<p><i>[Details of any gifts or hospitality offered to you by external bodies in direct/indirect connection with the School and whether they were declined or accepted in the last twelve months.]</i></p>	
<p>The School</p>	<p><i>[Details of any contractual relationship with the School.]</i></p>	
<p>Have any of the positions you (or a connected person) currently hold (as above) caused any actual conflicts of interest with the School in the past?</p>		
<p>Any other conflicts that are not covered by the above</p>		

**Declaration:**

I confirm that I have disclosed all of my relevant financial and non-financial interests. I understand that it is my responsibility to disclose to the chair or head any additional relevant interests as they arise.

Signed: .....

Date: .....



## REGISTER OF INTERESTS

NOTE: This register contains sensitive information and should be protected and regarded as confidential. The register is maintained by the Directors and may be inspected on request by any Director but no one else. It may be that the register may contain information which is personal data of some other person and may be subject to subject data access requests. Any requests for information from any other person must be referred immediately to the Chair. No copy of the register may be taken unless authorised by the Chair.

Date register last updated: *[insert]*

<b>Name and position</b>	<b>Description of interest</b>	<b>Does the interest relate to the Director or a person closely connected to the Director (if so, describe the relationship)?</b>	<b>Date interest disclosed</b>	<b>Is the interest current?</b>	<b>Any action to be taken (i.e. follow conflict procedures when related matters discussed at a Director' meeting)</b>