



CONFLICTS OF INTEREST

October 2023-24

Passmores Co-operative Learning
Community

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Statement of intent

This policy sets out the framework for ensuring that the decisions and decision-making processes at Passmores Co-operative Learning Community (PCLC) schools are, and are seen to be, free from personal bias and do not unfairly favour any individual or company connected with the Trust's schools.

Members of the PCLC local governing bodies, Trust Board 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 PCLC. Such interests may create problems as they can inhibit free discussions, result in decisions or actions that are not in the interests of PCLC, and risk the Trust's reputation.

PCLC has created this policy to:

- Ensure that every local governor, trustee and staff member understands what constitutes as 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 Trust.

1. Definitions

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 Trust's best interests.

'**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 Trust. The most common types of conflict of interest can be separated into '**financial conflicts**' and '**loyalty conflicts**'.

'**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. local governor / trustee expenses, are not included in this definition.

'**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 Trust's best interest.

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.

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.

An '**interested party**' is defined as a person who has a close relation to a person with a vested interest, e.g. a spouse.

'**At cost**' refers to the cost of a good or service (not including contracts of employment), without profit.

2. Roles and responsibilities

The Trust Board 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.
- Independently and objectively making decisions about executive pay and benefits, scrutinising each decision so conflicts of interest are avoided.
- Operating and making decisions in line with their charitable objectives, where applicable.

The Chair of Trustees is responsible for:

- Ensuring, in liaison with the Governance Lead, CEO and CFO, that all members of the Trust Board and Members' Board have declared any conflicts of interest, in accordance with the Declared Conflicts of Interest Register.
- Considering the risks associated with an individual who has declared a conflict of interest participating in any decision-making or voting.
- Setting professional standards of governance and accountability for the Trust Board.

The Governance Professional is responsible for:

- Keeping an accurate and up-to-date record of interests for all governors and staff, which is reviewed annually, and can be accessed by relevant people, e.g. the CEO, CFO, headteacher.
- Keeping accurate meeting minutes.

The Accounting Officer is responsible for:

- Being the Trust's lead in financial matters, including a personal responsibility to government and to the ESFA's accounting officer.
- Completing and signing a statement on regularity, propriety and compliance each year and ensuring this is submitted to the ESFA with the audited accounts.
- Ensuring the Trust Board is compliant with the Trust's Articles of Association, funding agreement, and 'Academy Trust Handbook'.
- Notifying the ESFA's Accounting Officer immediately, in writing, if the Trust Board is not compliant.

The Executive Headteacher / Headteacher / Principal are responsible for:

- Ensuring, in liaison with the Governance Lead and chairs of LGBs, that all members of the local governing bodies have declared any conflicts of interest, in accordance with the Declared Conflicts of Interest Register.
- Ensuring that the General Interests 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.

Trustees, members, local governors, and 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.

3. Identifying conflicts of interest

All staff (including volunteers) will be able to demonstrate that they do not have a vested interest in any decision-making or budget spending. All staff (including volunteers) will remain objective and act within the best interests of the school and its pupils.

Members of the Trust Board, Members' Board and LGBs will declare any conflicts of interest at an early stage and inform the relevant people. Members of the Trust Board, Members' Board and LGBs will ensure that any conflicts of interest do not prevent them from making a decision that would be in the best interests of the Trust and its pupils.

Members of the Trust Board, Members' Board and LGBs 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
- Owning or occupying a piece of land
- Owning shares or some other investment or asset
- Having received a gift, hospitality or other benefit from someone/an organisation
- Owning a debt to someone/an organisation
- Holding or expressing strong political or personal views that may indicate prejudice or predetermination for or against a person or issue
- 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

All interests and connections that could influence the Trust's reputation with the public will be declared.

If staff, including volunteers, have a relative whom they know to have a declarable interest, this information will be declared.

If the Trust's members, trustees or local governors have a relative whom they know to have relevant interests, this will be declared.

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.

4. Identifying conflicts of loyalty

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 board could be influenced by their other interests.

Members of the Trust Board, Members' Board and LGBs 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 board or committee of which they are a member.
- The individual that appointed them to the governing board.

Members of the governing board 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 Trust.

5. The register of interests

Each declaration of interest will be recorded on the school's Declared Conflicts of Interest Register.

This register will allow all governors and relevant employees to identify any business, commercial, financial or personal interests they have.

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.

The Trust will keep a Declared Conflicts of Interest Register that details the nature of interests declared.

The declaration registers will be stored in the PCLC Office at Potter Street Academy, where it can be accessed by the Executive Headteacher / Headteacher / Principal, CEO, CFO, Chair of Trustees and chairs of LGBs, as well as inspected by Ofsted or anyone else who has a right to it to carry out their statutory duties.

The DPO will ensure that the registers are protected in accordance with the school's Data Protection Policy.

The Trust Board will decide who else has access to the registers, including other staff members, governors and parents.

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.

If an individual is unsure whether they have a conflict of interest, the CEO / Executive Headteacher will advise the individual to declare any possible interests until they can confirm their interests at a later date.

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.

If a new interest becomes applicable during the school year, it will be the responsibility of the individual concerned to advise the Governance Lead to amend the Declared Conflicts of Interest Register.

The Declared Conflicts of 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, trustee or relevant member of staff.

The relevant business and pecuniary interests of members, trustees, governors and the Accounting Officer will be published publicly on the website.

The Trust will have discretion over the publication of interests of other individuals named on the register.

Trustees will consider any other interests they deem relevant and, if there is any doubt, register them regardless.

The Trust Board will be responsible for keeping their register of interests up-to-date through regular review.

6. Governing board benefits

Conflicts of interest can arise where there is a potential or measurable benefit to members of the Trust Board, Members' Board and LGBs, or to a person connected to them.

Members of the Trust Board, Members' Board and LGBs can only benefit from the Trust where there is an explicit authority in place in the Trust's governing document.

Governing board benefits include any payments or benefits to members of the Trust Board, Members' Board and LGBs, or a connected person, apart from their reasonable out-of-pocket expenses. Benefits also include situations where members of the Trust Board, Members' Board and LGBs could receive property, loans, goods or services from the Trust.

Where there is a proposed sale or lease of land to members of the Trust Board, Members' Board and LGBs, or to a person or company closely connected with them, this will require authorisation from the DfE before it is granted, even if the disposal is at full market value.

The payment of reasonable expenses to members of the Trust Board, Members' Board and LGBs is not a benefit and therefore does not create a conflict of interest or require authorisation.

7. Declaring interests

Wherever possible, the CEO, Executive Headteacher, Headteacher / Principal and chair of local governors / trustees will make arrangements to avoid a conflict of interest arising.

The stipulations below apply to all members of the LGBs and Trust Board, the CEO, Executive Headteacher, Headteacher / Principal and any others in attendance at meetings, including the SLT.

LGBs, the Trust Board and Members' Board will be provided with a standard agenda item at the beginning of each meeting, to declare any actual or potential conflicts of interest. Declarations will be made in writing, unless they are made at a meeting where official minutes are being taken.

All members of the LGBs, the Trust Board and Members' Board 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.

If a member is unsure whether they are conflicted, they will declare the issue and discuss it with the rest of the governing board.

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 board for appropriate action.

If the person making the declaration is only one of a number participating in the governing board's discussion and decision-making process, the declaration will be made to the other participants. If the person making the declaration is the only person making a decision on behalf of the governing board, the declaration will be made to the CEO, Executive Headteacher, Headteacher / Principal, as appropriate. If the person making the declaration is the CEO, Executive Headteacher, or Headteacher / Principal, the declaration will be made to the chair of the LGB / trustees, as appropriate. The Governance Lead must be notified of this.

Staff will declare conflicts of interest to the CEO, Executive Headteacher, or Headteacher / Principal, as appropriate and ensure that this information is up-to-date.

If new conflicts of interest arise for local governors, trustees, members or staff, they will inform the chair of governors/ trustees or the CEO, Executive Headteacher, or Headteacher / Principal, as appropriate. The Governance Lead must also be notified of this so that the registers can be updated.

8. Removing conflicts of interest

The LGBs, Trust Board and Members' Board will consider any conflict of interest declared, ensuring that any potential effect on decision-making is eliminated.

If an individual has declared an interest, they will be required to leave the room when the matter is being discussed.

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.

The rest of the LGBs, Trust Board or Members' Board (as appropriate) will decide on what level of participation in decision-making, if any, is acceptable on the part of the conflicted member.

The LGBs, Trust Board or Members' Board (as appropriate) 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.

When deciding which course of action to take, the LGBs, Trust Board or Members' Board (as appropriate) will:

- Always make their decisions in the best interests of the PCLC schools and its pupils.
- Always protect the PCLC schools' 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 PCLC schools 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 Trust'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 board, could inhibit free discussion, and might influence decision-making in some way.

If the LGBs, Trust Board or Members' Board (as appropriate) is discussing the appointment of a post, or making decisions that may lead to a staff vacancy, regarding a role for which a local governor or trustee could apply, the member in question will be required to leave the discussion, as this is classed a conflict of interest.

Members of the LGBs, Trust Board or Members' Board 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.

The governance professional will record an entry in the minutes when an individual withdraws from a meeting.

Declarations will be clearly recorded so that there can be no potential for misunderstandings.

In circumstances where participation is unavoidable, the chair of local governors / trustees will consider the risks associated with the situation and advice will be sought from the Trust's HR team. An entry of the situation, including the outcome, will be recorded in the minutes.

The LGBs, Trust Board and Members' Board (as appropriate) 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.

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 board benefit.

To remove a conflict of interest, the LGBs, Trust Board or Members' Board (as appropriate) 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.

9. Records of proceedings

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.

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
- How the local governors / trustees / members (as appropriate) reached the decision made
- A description of what was disclosed and in what circumstances
- The chair of local governors / trustees / members (as appropriate) will sign and date the recording.

10. Non-compliance

Any member of the LGBs, Trust Board and Members' Board who fails to reveal information to enable the governing board to fulfil its responsibilities might be in breach of the Governing Board Code of Conduct – as such, these incidents will be dealt with on a case-by-case basis accordingly.

The Trust Board will consider suspending a governor if they fail to declare information that brings the governing board's reputation into question.

Where necessary, any member of staff found to be withholding information about a conflict of interest will be subject to disciplinary action in line with the Disciplinary Policy and Procedure.

Any staff member or member of the governing board who fails to declare an interest and is found to be in conflict with their decision-making will be required to explain the reasons for their omission to the rest of the governing board.

11.Related party transactions

The Trust will be even-handed in its relationship with related parties by ensuring:

- Trustees' compliance with their statutory duties to avoid conflicts of interest, not accept benefits from third parties, and declare interest in proposed transactions or arrangements.
- A register of interest has been completed by the Governance Professional.
- No member of the Trust uses their connections to the Trust for personal gain.
- All payments are permitted by the Articles of Association or by authority from the Charity Commission.
- The Charity Commission approves payments to a trustee where there is a significant advantage to the Trust.
- Any payment provided to a person satisfies the 'at cost' requirement.

All related party transactions will be reported to the ESFA in advance of transactions taking place, using the ESFA's [online form](#). This will be applied to all contracts and agreements made on or after 1 September 2023. The ESFA's prior approval will be obtained, using the online form, for contracts for the supply of goods or services to the trust by a related party where any of the following limits apply:

- A contract exceeding £40,000
- A contract or other agreement of any value that would mean the cumulative value of contracts and other agreements with related party exceeds, or continues to exceed, £40,000 in the same financial year ending 31 August

Prior ESFA approval will not be required where contracts and other agreements for the supply of goods or services are with:

- Colleges, universities and schools which are sponsors of the academy trust.
- State funded schools and colleges, including academies.

For the purposes of reporting to the ESFA, transactions with related parties will not include salaries and other payments made by the Trust to a person under a contract of employment through the Trust's payroll.

When completing the ESFA's online form, all the information required to complete the form will be collected – it is not possible to partially complete a form and then return to it.

The following information is needed to create a record for the supplier:

- The name of the supplier
- The supplier's address
- The supplier's company number which can be found using the Companies House website (for limited companies)
- The statement which best describes the relationship between the supplier and the Trust
- Confirmation that the supplier is listed on the Trust's register of interests
- Confirmation that the Trust has a statement of assurance from the supplier
- Confirmation that the Trust has an open-book agreement with the supplier

The following information is needed about the related party transaction:

- A short description of the goods or services
- Details of the proposed cost
- The start and end date of any contract or agreement

When seeking approval for a related party transaction, evidence including the following is required:

- How the Trust agreed to the related party transaction
- That the Trust followed its Tendering and Procurement Policy
- That the Trust tested the market before making a decision
- How the Trust managed any conflicts of interest
- A copy of the agreement and proposed contract

The Trust Board and Accounting Officer will manage personal relationships with related parties to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with the seven principles of public life.

The Chair of Trustees and the Accounting Officer will ensure their capacity to control and influence does not conflict with requirements.

The Trust recognises that some relationships with related parties may attract greater public scrutiny, such as:

- Transactions with individuals in a position of control and influence, including the Chair of Trustees and the Accounting Officer.
- Payments to organisations with a profit motive, as opposed to those in the public or voluntary sectors.
- Relationships with external auditors beyond their duty to deliver a statutory audit.

The Trust will keep up-to-date records and make sufficient disclosures in their annual accounts to show accordance with the high standards of accountability and transparency required within the public sector.

The Trust's register of interests will include business and pecuniary interests, including:

- Directorships, partnerships and employments with businesses.
- Trusteeships and governorships at other educational institutions and charities.

- For each interest: the name of the business; the nature of the business; the nature of the interest; and the date the interest began.
- Any other interests deemed relevant by the board of trustees.

The register of interests will identify any relevant material interests from close family relationships between the Trust's members, trustees and governors. It will also identify relevant materials arising from close family relationships between those individuals and employees.

Relevant business and pecuniary interests of members, trustees, governors and the Accounting Officer will be published on the Trust's website.

The Governance Lead will maintain a Related Party Transactions (RTP) Register, which will be stored in accordance with the Data Protection Policy.

12. Monitoring and review

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 Trust Board as it cannot be delegated to a committee.

The next scheduled review date will be in September 2024.

The Trust Board will carry out continuous monitoring of its own activities and those of local governors and members to ensure that any conflicts of interest are identified and mitigated as soon as possible.

Any staff member, local governor, trustee or member who fails to declare an interest and is found to be in conflict with their decision-making will be required to explain the reasons for their omission to the Trust Board.

The Trust Board will review the Declared Conflicts of Interest Register on an annual basis, or when circumstances have changed.

This policy was approved by the Trust Board on 2nd October 2023.



Declaration of pecuniary and personal interest and related party transactions

Name:

School:

Position: (E.g. SLT/Member/Trustee/Local Governor/Finance Governor)

Current employment (job title)

I declare that I hold the following personal and/or pecuniary interest(s). *Where there is nothing to declare, please write 'NIL'*

Pecuniary interests	Name and nature of organisation	Nature of interest	Date the interest began
Businesses (of which I am a partner or sole proprietor)			
Company directorships – details of all companies of which I am a director.			
Charity trusteeships – details of all companies of which I am a trustee.			
School governor or trustee - details of any other schools or academies of which I am a governor or trustee.			
Membership of professional bodies, membership organisations, public bodies or special interest groups of which I am a member and have a position of general control or management.			
Gifts or hospitality offered to you by external bodies while acting in your position as a member/trustee/local/finance governor/SLT member and whether this was declined or accepted in the last 12 months.			
Any other conflict			

Personal interests	Name and relationship to me	Organisation	Nature of interest
Immediate family/close connections to member/trustee/local /finance governor/SLT member			

Related Party Transactions

In respect of our audit of the Academy Trust's financial statements, for the period ended 31 August 2021, please complete the below section. Auditing standards recommend that our auditors receive direct related party confirmations from all Members, Trustees, and members of Key Management Personnel.

Please note that it is of vital importance that the questionnaire must be completed in full, listing all positions or interests, regardless of whether any transactions have occurred or whether any balances exist with the Trust.

	Question	Details (if applicable)	
1).	<p>Please list the full names of any individuals, aged 18 or over, that you would deem to be close family members.</p> <p>If you genuinely have no such individuals, then please ensure that this is stated clearly.</p> <p>For reference purposes, a close family member includes those family members who may be expected to influence or be influenced by that person, in their dealings with the Trust.</p>		
2).	<p><u>Do any of the individuals listed as a response to question number 1 above hold positions of ownership/leadership in any organisations?</u></p> <p><u>If 'Yes', please provide the full name(s) of each entity and the position that they hold within it.</u></p>	<u>Y/N</u>	
3).	<p><u>Have you, or any of the individuals and/or organisations listed in response to question</u></p>	<u>Y/N</u>	

	<p>number 1, been involved in any transactions which have provided goods or services for the Academy Trust, during this financial period?</p> <p>If 'Yes', please provide full details of the transaction(s).</p> <p>This should include where either you, or any of the persons listed in response to question number 1 have worked for the Academy Trust for any part of this period.</p>		
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Declaration:

To the best of my knowledge the information supplied above is correct and complete. I understand that it is my responsibility to declare any conflict of interest/loyalty, business or personal that relates directly or indirectly, to myself or any relation in any contract, proposed contract or other matter when present at a meeting at the school where such contract or matter comes under consideration. I understand that I must withdraw from any meeting during the discussion of such contract or matter and must not vote in respect of it.

I agree to review and update this declaration annually and give consent for the information provided to be used in accordance with the trust/school's conflicts of interest policy.

Signed:

Date:

Guidance notes

Local/Finance Governors, members and trustees have a legal duty to act only in the best interests of their schools. Where a situation arises in which they cannot do this due to a personal interest they have, steps should be taken to identify, prevent and record the conflict. This ensures governors, trustees and members are acting in the best interests of the school.

In the declaration above, you must provide details relating to:

- directorships, partnerships and employments with businesses;
- trusteeships and governorships at other educational institutions and charities;
- for each interest: the name of the business; the nature of the business; the nature of the interest; and the date the interest began;
- Any close relation you have to someone who satisfies either of the above;
- any relevant material interests from close family relationships between the academy trust's members, trustees or local/finance governors.
- Any close relationship you have to someone who is employed by the trust/school.

The Academy Trust Handbook defines a relative 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 is not limited to, a child over 18, parent, spouse or civil partner.

Declaring your conflicts of interest is a legal requirement within the School Governance (Roles, Procedures and Allowances) (England) Regulations 2013 and for academies, in the Articles of Association and Academy Trust Handbook. However, making an annual declaration does not remove your requirement to make an oral disclosure of the interest and temporarily leave the meeting, where the interest is relevant to something being discussed.

Trusts must publish on their websites relevant business and pecuniary interests of members, trustees, local/finance governors and accounting officers. Trusts have discretion over the publication of interests of any other individual named on the register.

Pecuniary interests

Generally, governors/trustees/members should not participate in any discussions in which they may directly or indirectly benefit from a pecuniary interest, except where the relevant authority has authorised this i.e. in the Trust's articles of association. A direct benefit refers to any personal financial benefit and an indirect benefit refers to any financial benefit you may have by virtue of a relationship to someone who stands to gain from a decision of the governing/trust/members' board. Both direct and indirect interests must be declared.

Non-pecuniary interests (Conflicts of loyalty)

There may be a non-pecuniary interest whereby the governor/trustee/member does not stand to gain any benefit but a declaration should still be made. For example, this might be where a governor/trustee/member has a family member working in the school. While the governor/trustee/member might not benefit personally, their judgment could be impaired if something was brought up that would affect the family member.

Handling the conflict

The Local Governing Body / Trust Board / Members' Board must make a decision as to whether or not they should take steps to remove the conflict by:

- Not pursuing the course of action it relates to; or
- Proceeding with it in an alternative way which does not give rise to conflict, such as the governor/trustee/member or SLT member who has declared they have a conflict of interest withdrawing from the meeting whilst the agenda item is discussed; or
- Not appointing the governor/trustee/member in question or seeking to secure their resignation.

In the minutes of the meeting, the following should be recorded:

- The nature of the conflict;
- Which governor(s)/trustee(s)/member(s)/SLT member(s) it relates to;
- Whether a declaration was made in advance of the meeting;
- A brief overview of what was discussed;
- Whether the governor(s)/trustee(s)/member(s)/SLT member(s) withdrew from the meeting;
- How the governors/trustees/members made the decision in the best interests of the school/trust.

The Register of Business Interests should be reviewed annually by the PCLC Governance Lead but any new interest or ceased interest, should be reported to the Governance Lead / Clerk (whoever is present) as and when they occur. Upon completion, this signed form should be given to the Governance Lead whose responsibility it is to keep a register of all interests and review it annually.

The Charity Commission has produced [guidance on dealing with conflicts of interests](#) which may be useful.