

TALBOT HEATH SCHOOL TRUST LTD

CONFLICT OF INTERESTS POLICY AND GUIDANCE

Date adopted: 16th May 2023

Date for next adoption: Summer Term 2025

The Governors of Talbot Heath School Trust Ltd are charity Trustees and Company Directors and for the purpose of this policy these terms are interchangeable.

Purpose

Governors 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, steps should be taken to identify, prevent and record the conflict. This ensures that governors are acting in the best interest of the school. All governors are required to complete a Business Interests form and update it every year. The Clerk has the responsibility to ensure that these forms are completed as early as possible in the autumn term or as soon as a new governor is elected. The Director of Finance files these forms and enters them onto the school's register.

Pecuniary (Business) Interests (relating to money)

Governors should not participate in any discussions in which they may directly or indirectly benefit from a pecuniary interest. A direct benefit refers to any personal financial benefit and an indirect benefit refers to any benefit by virtue of a relationship to somebody who stands to gain from a decision of the Governing Body. Both direct and indirect benefits must be declared.

Non-pecuniary Interests (conflicts of loyalty)

There will be times when a governor does not stand to gain a personal benefit, but a declaration should still be made e.g. where a governor has a family member working in the school or a child/grandchild in the school. Judgement could be impaired if discussion involved the role of the family member or the class/year group of the child.

Guidance on when to withdraw from a meeting

The general principle is that no-one should be involved in a decision where his or her personal interests would make it difficult to make the best decision for the school and its pupils, or where there is any reasonable doubt that they may not be able to act impartially. In all cases the person concerned should abstain from voting and in the majority of cases, should withdraw from the meeting before the discussion of that item.

The following points should be noted and must be adhered to:

- The regulations apply to all members of the Governing Body, the Head and any others in attendance at the meeting.
- The Clerk to the Governing Body shall only be required to withdraw when the discussion is about his/her pay, contract or any disciplinary action against the Clerk
- Governors must withdraw when their own appointment, reappointment or removal as a member of the Governing Body or a committee is under consideration.
- Any person employed at the school (other than the Head or Head of Junior School where the matter relates specifically to the Junior School) must withdraw from a meeting where the pay or performance/appraisal of any particular person employed to work at the school is under discussion.
- The Head or Head of Junior School must withdraw from any meeting where her/his own pay or performance is under discussion.
- Any person with a pecuniary interest, direct or indirect, in any matter to be discussed should disclose this (normally at the beginning of the meeting) and

- a) withdraw from the meeting for this item and
- b) not vote on any decision with respect to that meeting.

Note 1: A person has an indirect pecuniary interest if:

- (i) s/he, or any nominees of hers/his, is a member of any organisation with which a contract is under consideration;
- (ii) s/he is a partner in business, or in the employment, of a person with whom the contract is made or under consideration.

Note 2: A person has a direct or indirect interest in a matter if a relative (including a partner or spouse) living with her/him has a direct or indirect pecuniary interest.

- The Head or any person employed by the school who is in an advisory capacity should not have an interest that is greater than the interest of other staff at the school.

Guidance on completing the Business Interests and Related Parties form

In order to fulfil the legal requirement to hold a list of related parties and to ensure that any conflicts of interest are managed correctly, Talbot Heath School Trust Ltd needs to gather information from all individuals who are classified as related parties. The list will be used by the Clerk to monitor and manage relationships with related parties to avoid transactions with businesses or individuals who are connected with the Trust and to ensure that the Governing Body acts only in the interests of the Trust.

Definitions:

Related Parties

A person is a related party if that person:

- has control or joint control over the company Talbot Heath School Trust Ltd, or subsidiary company Rothesay Events;
- has significant influence over the company Talbot Heath School Trust Ltd, or subsidiary company Rothesay Events;
- is a member of the key management personnel of Talbot Heath School Trust Ltd, or subsidiary company Rothesay Events;
This will include Governors/Trustees/Directors and all members of the Senior Leadership Team.

Close Family Members

Close members of the family are those family members who may be expected to influence, or be influenced by, a related party (as defined above) in their dealings with the school and include:

- that person's children and spouse or domestic partner;
- children of that person's spouse or domestic partner;
- dependents of that person or that person's spouse or domestic partner.
Dependents could include foster children, elderly and infirm parents, former spouses and siblings who rely on that person for financial support. It does not include parents or siblings where there is no dependency.

Business Interests

Details of all entities in which individuals or their close family members have an interest must be recorded, whether or not there has been a transaction between them and Talbot Heath School Trust Ltd or Rothesay Events previously. There is a business interest if the person or close family member:

- controls or has joint control over the entity;
- controls or has joint control over the company and also has a significant influence over the entity;
- controls or has joint control over the company and is also a member of the key management personnel of the entity (or of a parent of the entity).

Relevant business interests could, therefore, include companies in which individuals or their close family members have a majority shareholding, companies controlled by majority shareholders of the company and companies in which a majority shareholder of your company is a director.

For further information

- Conflicts of Interest: a guide for charity trustees(CC29)
- It's your decision: charity trustees and decision making (CC27)
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/636091/CC29.pdf