



**Interaction &  
Communication**

— Academy Trust —

# **Registration of Interests and Conflicts of Interest Policy and Guidance**

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## **General Policy Statement**

ICAT is a charity managed by members (shareholders), directors (or “trustees”), and local governing bodies.

All trustees, members, and those who serve on committees or local government bodies have a duty to operate in the best interests of the charity.

This policy aims to ensure that other interests and duties do not interfere with the duty to operate in the best interests of ICAT.

## **Legal and other requirements**

This policy follows guidance given by the Charity Commission in their document “CC29 – Conflicts of interest – a guide for charity Trustees”, as well as the Academies Financial Handbook and ICAT's articles of association.

Trustees are also company directors and have legal responsibilities (currently part of the Companies Act 2006) to avoid conflicts of interest and act independently in the best interests of the company.

## **Who should follow this policy?**

This policy applies to all members, directors/trustees, governors and senior employees of ICAT and its schools.

## **What are conflicts of interest?**

A conflict of interest is any situation in which personal interests or loyalties could, or could be seen to, prevent a member, trustee, governor or senior employee from making a decision only in the best interests of ICAT or the school concerned.

This usually means either:

- (i) There is a possible financial or other benefit to a member, trustee, governor or senior employee, or to a connected person
  - A connected person is someone connected to the person in such a way that they could influence or be influenced by that person - such as a close friend or relative or business partner. A spouse or civil partner always counts as a connected person.
- (ii) A member, trustee, governor or senior employee's duty to the charity may compete with a duty or loyalty they owe to another organisation or person.
  - For example: if you are a trustee of another charity and a decision is to be made which affects both charities, that is potentially a conflict of interest, even though no benefit is involved. This type of conflict is known as a “conflict of loyalty”.

Conflicts of interest don't mean anyone has done anything wrong, but they need to be dealt with correctly and in the best interests of ICAT.

### **Identifying conflicts of interest**

Members, trustees, senior staff and those who serve on local governing bodies must declare all conflicts of interest so that they can fulfil their duty to act only in the best interests of the trust.

Also, ICAT has a responsibility to set up and maintain strong systems to identify conflicts of interest.

### **Provisions in company documents about conflicts of interest**

The "Articles of association" are a key document lodged at Companies House setting out the rules under which ICAT is run as a company – so they must be followed. You can find the articles on the ICAT website or on ICAT's record at Companies House (company number 10221189). The articles must always be followed.

For convenience some of the things the articles say relating to conflicts of interest are noted here. However, you must follow the articles themselves if they disagree with the below or include anything that isn't set out below.

- Apart from the chief executive and staff trustees, a trustee can't be an employee or a supplier unless the other trustees have balanced the advantages of employing or contracting with that trustee against the disadvantages and are satisfied that it is in the interest of the trust. This should be minuted. (Article 6)
  - Please note that there is more detail about this in Article 6 of the articles of association and if dealing with a real case you should read it rather than rely solely on this note.
- A member (shareholder) cannot be an employee (article 12A).
- No more than one third of the trustees can be employees (article 50B).
- The chair or vice-chair of the trustees can't be an employee (article 82).
- A trustee who has a conflict of interest must disclose it as soon as (s)he becomes aware of it and absent himself or herself from any discussions of the trust in which it is possible that a conflict may arise (article 97). This specifically includes that trustee's remuneration if (s)he is an employee (article 98) but may include other things too.

### **Trustee payments**

Directors of academies can't be paid for the actual job of being directors/trustees (except in extreme circumstances with the agreement of the Charities Commission).

If they are employed, it must be in some other capacity.

### **Expenses**

None of the above stops genuine expenses from being reimbursed.

## **Registering interests**

ICAT will hold a register of interests as a permanent record of interests that may potentially lead to conflicts. All members, trustees, governors and senior employees will be asked to fill in the form included at Appendix A and review it each year.

The Academies Financial Handbook requires the trust to publish all relevant business and pecuniary interests of members, trustees, local governors and accounting officers. To fulfil this requirement ICAT will publish the register of interests on its website.

## **Dealing with conflicts of interests at meetings**

There are three steps – IDENTIFY the conflict of interest – PREVENT it from affecting decisions – and RECORD how it was dealt with.

### **IDENTIFY - declaring interests at meetings**

At the start of all meetings of members, directors/trustees, committees, governors, or any other similar meeting, those present should declare any interests that they may have that could become a conflict of interest when any matter on the agenda is discussed. Please see above for “What is a conflict of interest?”.

The Charity Commission recommends that meetings should have a standard item at the beginning to declare interests and it is suggested that members, trustees, governing bodies and committees consider following this guidance.

### **PREVENT – ensuring conflicts of interest don't affect decisions**

This depends on the conflict of interest and the decision it may affect.

- Some conflicts of interest may be of such minor importance that the meeting agrees to allow the decision to go ahead with the person present and voting. This would be appropriate only if the others present at the meeting agree that the decision would not be affected. Also, the articles must be followed, so for example a decision about trustee remuneration could not be dealt with in this way.
- Other conflicts of interest will be dealt with by asking the affected person to leave the meeting whilst the matter is discussed and decided, and not vote.
- Some conflicts of interest may be so serious that it is best for the person affected to be asked to resign. An example where this might be considered would be if ICAT is in a serious dispute with an organisation and a trustee is a member of that organisation's governing body.

## **RECORD**

The meeting should ensure that the conflict of interest, and the way it has been dealt with, are recorded in the minutes.

## **Implementing this policy**

It is intended that this policy will be reviewed annually by the ICAT board and/or a committee of the board if the board so chooses.

Appendix A - Register of Interest form

*From September 2016, the Academies Financial Handbook requires academies and MATs to provide information about their members and trustee/directors as well as governors on local governing bodies. Trusts are generally required through their funding agreement to provide any information deemed by the Secretary of State to be necessary in order for her to fulfil her role and responsibilities. The information below will be reported via Getting Information About Schools to the DfE. Items in blue will be made publicly available however information in red will not be published and will be encrypted so that authorised personnel can fulfil their official responsibilities. The email address of the Chair may be made available to the Regional Schools Commissioner if requested; it might also become the means for direct communication with Chairs regarding performance data/ areas which the board needs to address with its senior leadership team.*

Name	Appointing Body	Date of Appointment	Date Term of Office ends	Category
				Trust Member/ Trustee (Director)/Governor on LGB
Position on Board (Chair to provide direct email address)	Committee Membership	Relevant Business Interests/Governance Roles in other Educational Establishments	Relationship with Staff/Governors	
Home Postcode	Date of Birth	Previous Names	Nationality	

Signed \_\_\_\_\_ Date \_\_\_\_\_