

## Clitheroe Royal Grammar School

### Governors' Conflict of Interest and/or Loyalty Policy

Responsible: Chair of Governors

Approval required: All Governors

#### Introduction

At all time Governors, as the Trustees of the academy trust, must recognise that the interests of the academy trust and thus the School, especially its students and staff, are paramount. Governors should not allow their personal interests or views to override this: they must exercise independent judgement.

A conflict of interest is any situation in which a Governor's personal interests, or the interests which they owe to another body, clash or appear to clash with the interests of the beneficiaries of the academy trust.

It is recognised that it is inevitable that conflicts of interest occur. The issue is not the integrity of the Governor concerned, but the management of any potential to profit from a person's position as Governor, or for a Governor to be influenced by conflicting loyalties. Even the appearance of a conflict of interest can damage the School's reputation, so conflicts need to be managed carefully.

All Governors need to be alert to possible conflicts of interest which they might have and how they can minimise the effects. A key aspect of minimising the effects of conflicts of interest is to be open and transparent about such situations when they arise.

#### Conflict of Interest

Conflicts of interest may come in a number of different forms:

- direct financial gain or benefit to the Governor, such as:
  - payment to a trustee for services provided to the School;
  - the award of a contract to another organisation in which a Governor has an interest and from which a Governor will receive a financial benefit; or
  - the employment of a Governor by the School, even when the Governor has resigned in order to take up the employment.
- indirect financial gain, such as employment by the School of a spouse or partner of a Governor, where their finances are interdependent.
- conflict of loyalties, such as where a Governor is elected by the staff or parents of the School or where a friend of a Governor is employed by the School.

#### Conflict of Loyalties

Governors must bear in mind that when they are dealing with the business of the School, their overriding duty is to act in the best interests of the School. There may be situations in which a Governor's loyalty to the School conflicts with their loyalty to some of those who elected them, to another charity of which they are a trustee or to a member of their family. Such conflicts of loyalty will not stop anyone from being a Governor, but they can occasionally cause conflicts of interest.

## **Identifying and Reporting Conflict of Interests**

In order for the Governors to identify any conflict of interest:

1. Each Governor, upon their appointment/election, will complete a “Declarations of Interest, Loyalty and Confidentiality” and then every October thereafter. These forms will be scrutinised by the Governance Professional. Any conflict identified will be added to the Register of Interests and the Governors will be informed at their next meeting.
2. At the start of each Governors’ meeting, Governors will have the opportunity to disclose any conflict of interest that has not previously been disclosed, including any of particular relevance to any items on the agenda for that meeting. Any new conflicts of interest will be noted in the minutes of the meeting.

When a conflict of interest is identified, the Governor in question will be asked to remove themselves from the decision-making process by leaving the room when discussions concerning the interest in question occur.

Any benefits received by Governors will be disclosed in the annual report.

### **Additional information**

Charity Commission - A Guide to Conflicts of Interest for Charity Trustees (latest version)

Date of policy implementation:	December 2022
Date of approval by Governors:	December 2022
Date to be reviewed:	December 2024