

## **CONFLICTS OF INTEREST POLICY:**

### **SOUTH YORKSHIRE SCHOOL BUSINESS LEADERS C.I.C**

We, South Yorkshire School Business Leaders C.I.C (“SYSBL”), are a C.I.C, a community interest company. Our work involves consulting with various national and local policy makers and public-sector bodies (including the Department for Education, the Education Skills and Funding Agency and local authorities) and, in light of this, we have implemented this Conflicts of Interest Policy to ensure that we are following best practice.

#### **The need for a policy**

The aim of this policy is to protect both SYSBL and its Directors in situations where a conflict of interest or duty arises, or might arise, and to ensure that such situations are dealt with openly. Conflicts of interest and duty are bound to arise, and the issue is not the integrity of the Director concerned, but the management of any potential for a Director to profit from their position, or for a Director to be influenced by conflicting loyalties.

#### **Declaration of Interests Form**

SYSBL has in place a Declaration of Interests form (please see Annex 1), which all new and existing Directors are required to fill out. The form gives details of the Directors’ interests which could conflict with SYSBL, including connected persons (defined below).

An obvious example of an interest that a Director should include would be where a Director is also a director of a public sector body (e.g. the Department for Education) which SYSBL consults and liaises with on educational best practice. There may not be any conflict at the time of making the declaration, but the information should be included since there is a potential future conflict.

The Declaration of Interests Form should be updated as and when a potential conflict arises and the forms shall be kept by the Chair of Directors. The forms will also be reviewed at a meeting once a year.

#### **Conflicts of Interest/Duty**

The Directors have a legal duty not to benefit personally from their position as Director. To ensure that this duty is not infringed, the Directors must manage conflicts and potential conflicts in line with the procedure below and in accordance with SYSBL’s Articles of Association. It is the personal responsibility of each Director to ensure that they have read and understood this policy, and act in accordance with it as and when a conflict arises.

#### What is a conflict?

A “conflict” is defined in the Articles of Association as “*any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the C.I.C.*” The conflict of interest or duty may apply to the Director themselves, or a connected person. The conflict may arise in the course of the Director’s professional life, or personal life. Any situation in which the interests or duty of the Director or a connected person could potentially conflict with the interests of SYSBL is a “conflict” which requires management in accordance with the policy.

The Board of SYSBL, because it operates in the not-for-profit and public sector arenas, wishes for conflict management to be taken very seriously and has set out this policy to clarify how they will be managed by the Directors.

In this policy, references to persons who are “connected” with a Director means:

- (1) a child, parent, grandchild, grandparent, brother or sister of the Director;
- (2) the spouse or civil partner of the Director or of any person falling within (1) above;
- (3) a person carrying on business in partnership with the Director or with any person falling within (1) or (2) above;
- (4) an institution which is controlled –
  1. by the Director or any connected person falling within (1), (2), or (3) above; or
  2. by two or more persons falling within 4(a), when taken together
- (5) a body corporate in which –
  - (a) the Director or any connected person falling within (1) to (3) has a substantial interest; or
  - (b) two or more persons falling within (5)(a) who, when taken together, have a substantial interest.

#### Examples of possible conflicts of interest

It is impossible to set out every situation which may result in a conflict, but possible situations could include:

- (a) a Director who is also a member of SYSBL will be unable to vote on any changes to membership subscriptions;
- (b) SYSBL is acquiring, borrowing or leasing assets from a Director (or a connected person);
- (c) the exploitation by a Director (or a connected person) of any property, information or opportunity of which they become aware while acting as a Director;
- (d) paying a Director (or a connected person) for providing a service and/or goods to SYSBL;
- (e) employing a Director (or a connected person);
- (f) when a Director (or a connected person) owes a legal obligation or duty towards another organisation or person that conflicts with the Director’s duty to SYSBL; or
- (g) when a Director has a personal sense of loyalty to another organisation or person that conflicts with their loyalty to SYSBL.

#### Declaration

Although most potential conflicts will be noted on the Declaration of Interests Form, at any meeting at which an agenda item is proposed in which a Director or a connected person has a potential conflict, that conflict should be declared by the Director or the Chair of Directors at the start of the meeting.

Once any declaration has been made, the other Directors must consider whether the situation amounts to a conflict or potential conflict of interest. If it does, then the conflict must be managed in line with the procedure below. If it does not, the Directors must make a note of this in the minutes, and continue to monitor the situation.

### Procedure at Meeting

Once a conflict has been declared, the non-conflicted Directors must decide whether the conflicted Director(s) can continue to participate in any discussions/votes in relation to the conflicted item in accordance with article 19 of the Articles of Association.

In accordance with article 19(3) of the Articles of Association, the conflicted Director must:

(a) remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;

(b) not be counted in the quorum for that part of the meeting; and

(c) withdraw during the vote and have no vote on the matter,

unless the non-conflicted Directors authorise the conflict of interest in accordance with article 20 of the Articles of Association. It shall be within the non-conflicted Directors' discretion to decide the manner in which the conflict of interest may be dealt with in the circumstances.

In all cases, a note shall be made of the detail of the conflict, the discussions carried out by the Directors, and the conclusions and actions taken.

### **Monitoring and Review**

The policy shall be monitored, reviewed and updated by the Directors once a year. Compliance with this policy shall be monitored by the Chair of Directors, and appropriate action taken when necessary.

**Date of last review of policy: 1.04.2023**

## **Annex 1 – Declaration of Interests Form**

<b>Category</b>	<b>Please give details of the interest and whether it applies to yourself or a connected person.</b>
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments (voluntary or otherwise), e.g. trusteeships, directorships, local authority membership, tribunals etc.	
Membership of any professional bodies, special interest groups or mutual support organisations.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings (e.g. more than 1% or 5% of issued capital) and beneficial interests.	
Gifts or hospitality offered to you by external bodies and whether this was declined or accepted in the last twelve months.	
Any contractual relationship with SYSBL	
Any other conflicts that are not covered by the above.	

To the best of my knowledge, the above information is complete and correct. I undertake to update as necessary the information provided, and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the conflicts of interest policy and for no other purpose.

Signed:

Position:

Date: