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1. Introduction and aims

At JCAT, we want to ensure that decisions taken by the Trustees, local Governors and senior staff members are transparent and unbiased and don't unfairly benefit any individual or company connected to JCAT or to any of the Trustees, Governors or staff members concerned.

Trustees, local Governors and senior staff in JCAT must always act in the best interests of JCAT, and in accordance with JCAT's articles of association and this policy and must avoid any situations where there may be any actual or perceived conflict between their personal interests and their duty to JCAT.

This policy aims to ensure that:

- Everyone to whom the policy applies understands what a conflict of interest is
- Everyone to whom the policy applies understands their responsibility to identify and declare any conflicts of interest
- Every potential relevant conflict of interest, or perceived conflict of interest, is identified, recorded and prevented
- Decision-making isn't affected by conflicts of interest
- There are clear procedures for managing conflicts of interest where these arise

This policy also describes the interests which JCAT's Trustees and local Governors must declare in JCAT's Register of Interests. Conflicts of interest in relation to agenda items for any meeting of Trustees or Governors must be declared at the start of each meeting. The Chair of the meeting will decide how to manage them (see 7.2).

2. Legislation and guidance

This policy is based on:

- [Companies Act 2006](#)
- Guidance from the Charity Commission which explains statutory requirements and good practice regarding [conflicts of interest for charity trustees](#)
- [The Academy Trust Handbook](#)
- [The Governance Handbook](#)

This policy complies with our funding agreement and articles of association.

3. Scope

This policy applies to:

- JCAT's members
- All members of JCAT's Board of Trustees and any Committee of the Board
- All local JCAT Governors
- Senior JCAT employees, including in particular the CEO, CFO, and Headteachers

For the purposes of this policy we refer to all of the above as "Governors", except where we make express reference to specific roles.

4. Definitions

4.1 Conflict of interest

A conflict of interest is any situation in which a Governor has a personal interest of any kind which could, or could be perceived to, prevent them from acting or making a decision only in the best interests of JCAT.

It's not possible to provide an exhaustive list of what constitutes a personal interest which could give rise to an impermissible conflict with the duty to act only in JCAT's best interests, but some examples include where:

- Governors or their family members work for suppliers that provide, or have the potential to provide, services to JCAT.
- A Governor or a close family member owns or has a share in a business which is bidding to do work for JCAT.
- A Governor has a personal relationship with a member of JCAT's staff.
- A Governor also sits on the board or is a governor of another school or academy trust.
- The teacher of a local parent Governor's child is subject to a disciplinary investigation.

The above are only examples of situations that could give rise to an actual or perceived conflict of interest. All Governors must be alert to any situation in which any personal interest may conflict, or may be perceived as conflicting, with a Governor's overriding duty to act at all times in JCAT's best interests. If a Governor considers that such a situation exists, or may exist, they must report this promptly to JCAT's Governance Professional for advice and any further action that may be needed.

Governors should note that **JCAT's Articles of Association provide as follows:**

CONFLICTS OF INTEREST

97. Any Trustee who has or can have any direct or indirect duty or personal interest (including but not limited to any Personal Financial Interest) which conflicts or may conflict with his duties as a Trustee shall disclose that fact to the Trustees as soon as he becomes aware of it. A Trustee must absent himself from any discussions of the Trustees in which it is possible that a conflict will arise between his duty to act solely in the interests of the Academy Trust and any duty or personal interest (including but not limited to any Personal Financial Interest).
98. For the purpose of Article 97, a Trustee has a Personal Financial Interest in the employment or remuneration of, or the provision of any other benefit to, that Trustee as permitted by and as defined by Articles 6.5-6.8A.

4.2 Trustee benefit

A Trustee benefit is any instance where money, or any property, goods or services which have monetary value, are received by a Trustee from the JCAT. This doesn't include where Trustees are compensated for proper and reasonable out-of-pocket expenses.

Trustees can only benefit from the JCAT in such a way, whether directly or indirectly, where there is an **explicit authority** in place in advance.

Examples of Trustee benefits include where JCAT decides to:

- Sell, loan or lease JCAT assets to a Trustee
- Acquire, borrow or lease assets from a Trustee for JCAT
- Appoint a Trustee to a separate paid post within JCAT, even if that Trustee has recently resigned as a Trustee
- Appoint a Trustee to a separate paid post as a director or employee of any subsidiary of JCAT, even if that Trustee has recently resigned as a Trustee
- Engage a Trustee, or any person, firm, company or organisation closely connected to a Trustee, for providing a service to JCAT (see also Section 4.3 below)
- Employ a Trustee's spouse, partner or other close relative at JCAT or any JCAT subsidiary
- Give a Trustee or a close relative a benefit from the Trust in the capacity of a beneficiary of the Trust.
- Make a grant to a service user trustee, or a service user who is a close relative of a trustee
- Do not allow any Trustee who may receive a benefit to be present at any part of a meeting where anything relevant is discussed nor allow them to have a vote on such matters nor include them in the quorum for the vote.
- Allow a service user trustee to influence trust activities to their exclusive advantage

Explicit authority will come from one of the following:

- Our articles of association, Articles 6.7-6.8
- A statutory provision (such as the power in the Charities Act which allows charities to pay trustees for additional services in some circumstances)
- The Charity Commission
- The court

- A resolution of JCAT's Board
- ESFA

4.3 Local Governors

- a) Save in exceptional circumstances and with the prior approval of JCAT's Board:
- Any individual who has, or whose spouse, partner or other close relative has, a commercial or any other financial relationship with a JCAT school, cannot be a local Governor at that school. However, they may be able to serve as a local Governor at any other JCAT school, subject to paragraph b) below.
 - Any individual who tutors pupils at a JCAT cannot be a local Governor at that school. However, they may be able to serve as a local Governor at any other JCAT school, subject to paragraph b) below and to the JCAT Board being satisfied that their tutorial role and relationship with the pupil(s) tutored and their parents is, and would be seen to be, properly compatible with their appointment as a local Governor at such other JCAT school.
- b) ESFA considers that for an individual within paragraph a) i or a) ii above to serve as a local Governor of any JCAT school would give rise to a conflict of interest and a related party transaction, a local Governor of any JCAT school has a degree of control or influence within JCAT. However, ESFA considers that such an appointment is permissible, so long as it is compliant (see paragraph c) below), transparent and well-managed.
- c) If the individual's commercial, financial or tutorial relationship with the relevant JCAT school could give rise to a financial benefit greater than £40,000 [a year] **OR** [in total whilst the relationship exists], ESFA's prior approval must be obtained before the relevant contract can be signed (this excludes contracts of employment with JCAT). If the financial benefit from the relevant relationship will be equal to or less than £40,000 [a year] **OR** [in total], the engagement can proceed but must be declared by JCAT to ESFA (there is an online form for this purpose). If there is no financial benefit, JCAT need only declare the engagement in the relevant note to JCAT's financial statements at the end of the reporting year. This requirement also applies to JCAT Trustees and their close relatives.

5. Roles and responsibilities

5.1 Chair of the JCAT Board of Trustees

The Chair of Trustees will:

- Ensure that the register of interests is completed each year
- Make sure declarations of interest are made before each meeting
- Arbitrate decisions about how to deal with conflicts of interest, where appropriate
- Monitor this policy, and seek advice on any necessary changes

5.2 Governance Professional

The Governance Professional will:

- Maintain the register of interests and update it promptly when Governors inform them of any relevant change to their circumstances
- Advise the Board on how to deal with conflicts of interest

5.3 All Governors

All Governors will:

- Declare any actual or potential conflicting interests at the start of meetings, or promptly during meetings if the actual or potential conflict only becomes apparent to them after the meeting has begun, and will complete the register of interests fully and accurately.
- Make sure they inform the relevant Chair and the Governance Professional immediately of any relevant change to their circumstances
- Take appropriate action to remove any conflict of interest, seeking advice from the Governance Professional as may be if necessary

6. What governors must declare

Governors must declare:

- Directorships, partnerships and employments with, and any other material engagement with or material interest in, any other business or organisation
- This includes trusteeships and governorships at other educational institutions or charities
- Material interests arising from their relationships, or any relationships of their spouses, partners or close family members, with JCAT members, Trustees, local Governors or employees (including relationships with their respective spouses, partners and close relatives)
- Directorships, partnerships and employments of their spouses, partners and close relatives with, and any other material engagement of their spouses, partners and close relatives with, or material interest in, any other business or organisation, where there is a material possibility that JCAT will have dealings with that business or organisation
- Any paid engagement with any JCAT school
- Any tutoring of any JCAT pupils (other than in the course of their employment with JCAT).

If you are unsure whether you or your spouse, partner or any close relative has an interest which may conflict with, or may be perceived as conflicting with, your duties and obligations as a Governor, you should always err on the side of caution and declare it or seek advice from the Governance Professional.

Any Governor who is a JCAT employee must declare an interest in relation to matters of their own pay and appraisal and must not participate in discussions or decisions about these.

7. Procedures

7.1 Register of interests

JCAT requires each Governor to complete a declaration of interests form at the beginning of each academic year <https://forms.gle/FBZnHwKDESwAxpud6>

New Governors will also be asked to complete a declaration of interests form if they join after the start of the academic year.

JCAT will publish information about the interests of members, Trustees, local Governors, the accounting officer (where the accounting officer is not also a Governor) and CFO.

Senior JCAT employees, and Governors who are JCAT employees, are not required to record their JCAT employment on the register of interests.

If an individual's circumstances change after the register of interests is completed, they must immediately inform the Chair and the Governance Professional of any amendments to the register or further declarations that may be required.

7.2 Declaring conflicts of interest and taking action

Agendas of meetings will be circulated in advance. Governors must review any agenda sent to them and must inform the Chair and the Governance Professional as soon as possible if they have, or think they may have, an actual or potential conflict of interest related to any item on the agenda.

Each meeting will also include a standing agenda item to allow declarations to be made.

If a conflict only becomes apparent during a meeting, the Governor or Governors concerned must declare these immediately.

Depending on the nature of the meeting or discussion, and the interest in question, the Board or Committee concerned will decide whether the individual needs to:

- Withdraw from the meeting or any part of it
- Refrain from contributing to the discussion on the relevant agenda item(s)
- Refrain from voting on a decision on the relevant agenda item(s)

The Board or Committee concerned may also decide that, having declared the interest, the Governor is free to participate in the discussion or decision as normal. If the Chair is uncertain if this is permissible or of any other action required, they should refer to the Governance Professional for guidance and, if necessary, defer or postpone the relevant discussion or decision or adjourn the meeting.

When deciding which course of action to take, the Board or Committee concerned must:

- Always make their decision in the best interests of JCAT and be able to demonstrate this
- Act to protect JCAT's reputation
- Consider the impression that their actions and decisions may have on those outside of JCAT
- Consider the level of risk related to the decision in question, and the risk that the conflict will affect the individual's ability to be impartial, or to act only in JCAT's best interests
- Be aware that the presence of a conflicted Governor (even if they cannot participate in the decision or discussion) may inhibit free and open dialogue, and may affect the decision in some way

In cases of **serious conflict of interest**, the Board or Committee concerned may also choose to avoid the conflict by:

- Not pursuing a particular course of action
- Proceeding with the issue in a different way
- Not appointing a particular individual as a Governor or JCAT employee
- Securing a resignation from, or if necessary the removal of, a conflicted Governor

A serious conflict of interest includes situations where the conflict:

- Is so acute or extensive that the individual is unable to make their decisions in the best interests of JCAT or could be seen to be unable to do so
- Is present in significant or high-risk decisions

- Means that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach
- Is associated with an inappropriate Trustee benefit

Details of any conflicts declared, and relevant actions taken, will be recorded in the minutes.

8. Failure to declare a conflict of interest

Failure to declare a conflict of interest is a breach of the Board's code.

If the Board becomes aware that a Governor has failed to declare a relevant interest, it will immediately update the register of interests to ensure the record is complete and accurate.

Depending on the nature of the omission, the Board may also:

- Suspend the Governor, on such terms as the Board thinks fit
- Remove the Governor from office
- Follow any relevant disciplinary procedure

If a Governor becomes aware of that another Governor has, or may have, an interest that ought to be, but has not been, declared in accordance with this Policy, they should inform the Chair and the Governance Professional immediately.

9. Review

This policy will be reviewed every 2 years and for re-approval by the JCAT Board.