



POLICY

Document Title	Conflict of Interest Policy (Governors)
Version	1.0
Approved by	Search & Governance Committee (17th October 2024) Recommend to the Board for approval
Date approved	10th December 2024
Last review date	New Policy
Date of next review	October 2026
Lead responsibility	Head of Governance

1. Purpose

- 1.1. This policy applies to all Governors including co-opted committee members, members of the Senior Leadership Team. This policy should be read in conjunction with clause 11 of the Corporation's Instrument of Government.
- 1.2. In line with the College Financial Handbook (effective 1 August 2024), the board must have a conflict of interest policy, with systems in place to record and manage any such conflicts. This policy must be kept under regular review and the board must ensure that governors, members of the Senior Leadership Team complete the register of interests and the register must be reviewed at least annually.
- 1.3. The Board must disclose details in its financial statements of any transactions with organisations or individuals where there is a close connection to the Corporation or its governors (known as related party transactions).

2. Definition

- 2.1. For the purpose of this policy, a conflict of interest is where the personal interests or loyalties of a governor could, or could be seen to, stop them from making a decision in the best interests of the Corporation.
- 2.2. For Governors, examples of conflicts of interest include if:
 - one of your relatives or business partners owns a company that enters into a contract with your Corporation,
 - another charity where you are a trustee, or your employer has a business relationship with your Corporation.
- 2.3. Under charity law, governors must identify conflicts of interest and prevent them from affecting the decisions they make with their co-governors.
- 2.4. For example, college principals who are also governors, should withdraw from discussions about their remuneration.
- 2.5. Principle 3 of the AoC Code of Good Governance states that:
 - *"The board and senior leadership act with honesty, trustworthiness, openness, and no undue bias."*
 - *"Governors must remain impartial and act with objectivity".*
 - *All Governors understand the impact of real and perceived conflicts of interest and how this may affect the college's reputation".*
- 2.6. It is recommended practice of the AoC Code of Good for colleges to have a Conflict of Interest Policy
- 2.7. Governors as charity trustees, have the legal obligation to act in the best interest of the Corporation and in accordance with the Corporation's Instrument & Articles of Government. The general duties on charity trustees include a requirement for trustees to avoid putting themselves in situations where there may be a conflict of interest between a Governor's interests and their duty as a charity trustee, to act in the best interests of the College.
- 2.8. In addition, in fulfilling a voluntary role, charity trustees are under a duty not to make a personal profit from their position in acting as a trustee.
- 2.9. Conflicts of Interest may arise where an individual's personal or family interests and / or loyalties conflict with those of the College. Such conflicts may create problems that:

- inhibit free discussion,
- result in decisions or actions that are not in the interest of the College,
- risk the College's reputation (if it is perceived that the Governors acted improperly).

2.10. The aim of this policy is to protect both the College and the Governors from any appearance of impropriety.

3. Register of Interests

- 3.1. From the adoption of this policy, or upon being appointed, whichever is later, all members of the Corporation, co-opted committee members, members of the Senior Leadership Team will be required to complete the Register of Interests document. This register of interests will be maintained by the Head of Governance and all governors, co-opted committee members, and Senior Leadership Team members will be required to update their Register of Interests as and when their circumstances change and at the beginning of each academic year.
- 3.2. The register will be accessible by any person wishing to inspect it, in accordance with clause 11 of the Corporation's Instrument of Government.

4. Data Protection

- 4.1. The information provided will be processed in accordance with the data protection principles as set out in the Data Protection Act 2018. Data will be processed only to ensure that governors and the Senior Leadership Team act in the best interests of the Corporation. The information provided will not be used for any other purposes.

5. What to do if you face a conflict of interest

- 5.1. Governors and Senior Leadership Team members are required to:
- declare the interest at the earliest opportunity,
 - withdraw from discussions and decisions relating to the conflict.
- 5.2. The Head of Governance should take special care to ensure that minutes or other documents relating to the item presenting a conflict are appropriately redacted for the governor facing the conflict. A balance needs to be made to ensure that the governor still receives sufficient information about the activities of the Corporation generally without disclosing such sensitive information that could place the individual in an untenable position.

6. Management of conflicts of interest in meetings etc.

- 6.1. Governors and Senior Leadership Team members are required to declare any interest they have in the business of a meeting.
- 6.2. In all other circumstances, if a Governor believes that they have a conflict of interest or that a conflict of interest is reasonably likely to arise, then they must:
- declare the interest, before the meeting, at the outset of the meeting or at the earliest opportunity when the Governor is aware that a conflict, or potential conflict has arisen;
 - if asked to do so by the Chair, withdraw from the meeting whilst the non-conflicted Governors decide how the conflict should be managed; and
 - withdraw from part of the meeting where the conflict issue is discussed and not vote or count towards the quorum in making a decision relating to the conflict.
- 6.3. If a governor fails to declare an interest that is known to the Head of Governance or the Corporation Chair, the Head of Governance or Corporation Chair will declare that interest.
- 6.4. After disclosure of any such interest, in the case of a meeting the governor, or Senior Leadership Team member concerned will be asked to leave the meeting (unless expressly invited to remain, possibly in order to provide

information on the matter in hand) and may be required, by a majority vote not subject to such a conflicting interest, to leave the meeting whilst the matter is discussed.

- 6.5. The governor will not be counted in the quorum for that part of the meeting and will not be permitted to vote on the question. In the case of all other activities, the governor will not be permitted to participate in the consideration or discussion of the matter other than to disclose their conflict of interest.
- 6.6. All decisions of the Corporation or corporation committee made following the declaration of a conflict of interest will be reported in the minutes of the meeting. The report will record:
- the nature and extent of the conflict
 - an outline of the discussion
 - the actions taken to manage the conflict.

7. Failure to disclose a relevant interest

- 7.1. The decision of the Chair as to whether a member has failed to disclose a relevant interest shall be final. Failure to disclose a conflicting interest may lead to a governor being in breach of the Corporation's Code of Conduct as well as this policy and the College's Financial Regulations.

8. Equality, Diversity and Inclusion

- 8.1. The College will pay due regard to equality considerations during the preparation and implementation of this Policy and Procedure.
- 8.2. These considerations should include and will continue to include the potential for any differential negative effect on the grounds of age, disability, gender reassignment, pregnancy and maternity, race (including ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, sexual orientation, marriage or civil partnership.
- 8.3. The College's judgement is that there is no such negative effect on those grounds and, consequently, no potential breach of the Equality Act 2010.
- 8.4. The operation of this Policy and Procedure will be monitored by the Head of Human Resources in order to establish that no unlawful discrimination is taking place and to identify opportunities for the College to enhance equality of opportunity and fair treatment.

9. Review

- 9.1. This document will be reviewed by the Head of Governance bi-annually, and the outcome of the review will be reported to the Search & Governance Committee.

10. Document Identification

Category [select ONE only]	<input type="checkbox"/> Programmes/courses <input type="checkbox"/> Partnerships <input type="checkbox"/> Finance <input type="checkbox"/> Quality <input checked="" type="checkbox"/> Governance <input type="checkbox"/> Health and safety <input type="checkbox"/> Facilities <input type="checkbox"/> Computer Services <input type="checkbox"/> MIS <input type="checkbox"/> Admissions <input type="checkbox"/> Teaching and learning <input type="checkbox"/> Personnel
Audience [select ALL that apply]	<input checked="" type="checkbox"/> Governors <input type="checkbox"/> Employees <input type="checkbox"/> Learners <input type="checkbox"/> Suppliers

EQUALITY IMPACT ASSESSMENT

This form must be completed when drafting a new policy/procedure or amending an existing policy/procedure. It should be completed at the earliest opportunity so any issues can be resolved/mitigated in advance.

POLICY / PROCEDURE DETAILS			
Name of policy / procedure:	Conflict of Interest Policy (Governors)		
Manager responsible:	Head of Governance		
Others involved in this EIA:			
ASSESSMENT			
What evidence have you used? (This could be internal data, surveys, complaints/grievances or other external quantitative or qualitative research)	<p>I have researched similar policies in other organisations within the education sector to ensure that the content is appropriate and relevant. Referred to the following Governing Documents:</p> <ul style="list-style-type: none"> - Instrument & Articles of Government, - AoC Code of Good Governance, - FE Corporations and Sixth-form College Corporations Governance Guide (1 August 2024). 		
Who have you engaged / consulted with? (This could be individuals, groups, networks or organisations)	In addition to the above Chartered Governance Institute website		
For each protected characteristic, does the evidence show that the policy/procedure...	does not inadvertently disadvantage or discriminate against staff, learners or service users?	actively explores opportunity and fosters good relations between people of different protected groups and backgrounds?	Where 'no' is checked, or concerns have been identified detail them here:
Age (including older and younger people)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Disability (including those with physical disabilities, unseen disabilities and mental health issues)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Sex (both men and women)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Gender reassignment or Gender identity (including trans staff and students who have transitioned, are considering transitioning or are in the process of transitioning from one gender to another, and also non-binary staff and students who do not identify with, or reject gender labels)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Marriage and Civil Partnership	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

Pregnancy / Maternity (including breastfeeding mothers)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Race and Ethnicity (including nationality, colour, native language, culture and geographic origin)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Religion and belief (including those with no religion or belief)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Sexual orientation (including, but not limited to, gay, lesbian, bisexual, queer and straight staff and learners)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Intersectionality (although not a protected characteristic itself it's important to consider how characteristics intersect)	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

ACTION PLANNING

Issue Identified	Planned or completed remedial action	Person responsible and timeframe

MONITORING AND REVIEW

How will the impact of your policy and procedure be monitored and reviewed once agreed?

The policy will be reviewed according to the defined timetable outlined within it.

AUTHORISATION

	Signature	Date
Manager responsible:	Head of Governance	6 th August 2024
EIA Panel:		
EIA Committee's Comments if applicable:		