



*Achieving excellence together*

# Conflicts of Interest Policy

<b>Approved by:</b>	Trust Board		
<b>Responsible department:</b>	Finance Department		
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## **Statement of intent**

This policy sets out the framework for ensuring that the decisions and decision-making processes at Great Heights Academy Trust are, and are seen to be, free from personal bias and do not unfairly favour any individual or company connected with the Trust.

Trustees, Local Governor and Members of the Trust have an obligation to act in the best interests of the Trust and in accordance with its Articles of Association in order to avoid situations where there may be a potential conflict of interest.

Situations may arise where family interests or loyalties conflict with those of the Trust. They may create problems as they can inhibit free discussions, result in decisions or actions that are not in the interests of the Trust and risk the impression that the Trust has acted improperly.

Great Heights Academy Trust therefore intends to:

- Ensure that every Trustee, Local Governor and Members of the Trust understands what constitutes a conflict of interest and that they have a responsibility to identify and declare any conflicts that might arise.  
Record the conflict and the actions taken to ensure that the conflict does not affect the decision-making of Great Heights Academy Trust.

### **1. Legal framework**

1.1. This policy takes its legal framework from the following legislation and statutory guidance:

- Companies Act 2006.
- Conflicts of Interest: A Guide for Charity Trustees.

1.2. This policy must be read in conjunction with the following other policies:

- Governors' Handbook.
- Staff Handbook.
- Governor Code of Conduct.
- The Governor Induction Pack
- Not for Profit Statement of Assurance

### **2. Definition**

2.1. Great Heights Academy Trust adopts the definition of the Charity Commission, which states that a conflict of interest is any situation where a governors' personal interests or loyalties could, or could be seen, to prevent the governor from making a decision in the best interests of the Trust.

### **3. Identifying conflicts of interest**

- 3.1. Great Heights Academy Trust expects individual Trustees, Local Governors and Members of the Trust to be able to identify any conflicts of interest at an early stage.
- 3.2. Individual Trustees, Local Governors and Members of the Trust who fail to identify and declare any conflicts of interest will also fail to comply with their personal legal responsibility to avoid conflicts of interest and act only in the best interest of the Trust and its pupils.
- 3.3. The Trust Board and Local Governing Body must ensure that any conflicts of interest do not prevent them from making a decision that is in the best interests of the Trust and its pupils.

### **4. Articles of Association**

- 4.1 The Academy's Articles of Association (para 97) state:

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 Trust 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).

These requirements extend to Local Governors.

### **5. Interests which should be declared**

- 5.1. Trustees, Local Governors and Members of the will be expected to declare the following interests:
  - Holding another public office.
  - Being an employee, director, advisor or partner of another business or organisation.
  - Pursuing a business opportunity.
  - Being a member of a club, society or association.
  - Having a professional or legal obligation to someone else.
  - Having a beneficial interest in a trust.
  - Owning or occupying a piece of land.
  - Owning shares or some other investment or asset.
  - Having received a gift, hospitality, or other benefit from someone / an organisation.
  - Owing a debt to someone / an organisation.
  - Holding or expressing strong political or personal views that may indicate prejudice or predetermination for or against a person or issue.
  - Being a spouse, partner, relative or close friend of someone who has one of these interests.
  - Trusteeships and governorships at other educational institutions and charities

- Close family relationships between academy Members, Trustees and Local Governors; close family relationships between Members, Trustees and Local Governors with employees

**Declarations of interests of Trustees, Local Governors and Members will be published on the Trust and individual academy's websites.**

## **6. Trustee, Local Governors and Member's benefits**

- 6.1. Trustees, Local Governors and Members can only benefit from their Academy where there is an explicit authority in place before any decision conferring Trustee benefit is made and that this should comply with the 'at cost requirements' of the most recent Academy Trust Handbook (ATH).
- 6.2. Trustee, Local Governor or Member benefits include any payments or benefits to Trustees or a connected person as defined in the most recent ATH, apart from their reasonable out of pocket expenses. They also cover situations where a Trustee, Local Governor or Member could receive property, loans, goods or services from the Trust.
- 6.3. Where there is a proposed sale or lease of Trust land to a Trustee, Local Governor or Member, or to a person or company closely connected with a Trustee, Local Governor or Member, this will need to be authorised by the ESFA, even if the disposal is at full market value.
- 6.4. The payment of reasonable expenses to a Trustee, Local Governor or Member is not a benefit, so it does not create a conflict of interest or require authorisation.
- 6.5. The Trust will seek the ESFA's prior approval for transactions with connected parties that are novel and/or contentious.
- 6.6. No Trustee, Local Governor or Member or employee can use their connection with The Trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the Trust.

## **7. Register of interests**

- 7.1. Trustees, Local Governors and Members should keep an updated record of any conflicts of interest in the Trust and individual Academy's register of interests, which is maintained by the Governance Professional to the Trust Board and the Clerk's of the individual Academy's.

## **8. Declaring interests**

- 8.1. Trustees and Local Governor meetings should have a standard agenda item at the beginning of each meeting to declare any actual or potential conflicts of interest.
- 8.2. A Trustee, Local Governor or Member should declare any interest which he / she has in an item to be discussed, at the earliest possible opportunity and before any discussion of the item itself.
- 8.3. If a Trustee, Local Governor or Member is uncertain whether he / she is conflicted, he / she should declare the issue and discuss it with the other Trustees, Local Governors or Members.
- 8.4. If a Trustee, Local Governor or Member is aware of an undeclared conflict of interest affecting another Trustee, Local Governor or Member, then he / she should notify the other Trustees, Local Governors or Members or the Chair.

## **9. Removing conflicts of interest**

- 9.1. Trustees, Local Governors or Members must consider the conflict of interest so that any potential effect on decision-making is eliminated.
- 9.2. Trustees, Local Governors or Members must follow any legal or governing document requirements on how a conflict of interest must be handled, but may, in serious cases, decide that removing the conflict of interest itself is the most effective way of preventing it from affecting their decision-making. Serious conflicts of interest include, but are not limited to, those which:
  - 9.2.1. Are so acute and extensive that the Trustees, Local Governors or Members are unable to make their decisions in the best interest of the Trust and its pupils or could be seen to be unable to do so.
  - 9.2.2. Are present in significant or high risk decisions of the Trustees, Local Governors or Members.
  - 9.2.3. Mean that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach.  
Are associated with inappropriate Trustee, Local Governor or Member benefit.

## **10. Withdrawing from decision-making**

- 10.1. Where there is a proposed financial transaction between a Trustee, Local Governor or Member and the Trust, or any transaction of arrangement involving Trustee, Local Governor or Member benefit:
  - 10.1.1. The benefit must be authorised in advance by the Finance and Premises Committee. If there is no Finance and Premises Committee meeting planned within the time frame of authorisation being required, then the Chair of the Finance and Premises Committee and one other finance trustee can be contacted to authorise the benefit. If the person affected is the Chair of the Finance Committee then a Member of the Academy trust plus one other finance trustee must authorise the benefit.
  - 10.1.2. The Trust Board expects the affected Trustee, Local Governor or Member to be absent from any part of any meeting where the issue is discussed or decided.
  - 10.1.3. The affected individual should not vote or be counted in deciding whether a meeting is quorate.
- 10.2. Where there is a conflict of loyalty and the affected Trustee, Local Governor or Member does not stand to gain any benefit and there are no specific governing document or legal provisions about how the conflict of loyalty should be handled, the affected Trustee, Local Governor or Member should declare the interest.
- 10.3. The remainder of the Trust Board / Local Governing Body must then decide what level of participation, if any, is acceptable on the part of the conflicted Trustee, Local Governor or Member. The options might include, but are not limited to, deciding whether the conflicted Trustee, Local Governor or Member:
  - 10.3.1. Having registered and fully declared the interest, can otherwise participate in the decision.

- 10.3.2. Can stay in the meetings where the decision is discussed and made, but not participate.
- 10.3.3. Should withdraw from the decision-making process in the way described above.
- 10.4. In deciding which course of action to take regarding a conflict of interest, Trustees, Local Governors or Members:
- 10.4.1. Must always make their decisions only in the best interest of the Trust and its pupils.
- 10.4.2. Should always protect the Trust's reputation and be aware of the impression that their actions and decisions may have on those outside the Trust.
- 10.4.3. Should always be able to demonstrate that they have made decisions in the best interests of the Trust and its pupils, and independently of any competing interest.
- 10.4.4. Should require the withdrawal of the affected Trustee, Local Governor or Member from any decisions where the Trustee, Local Governor or Member's other interest is relevant to a high risk or controversial decision or could, or be seen to, significantly affect the decision-making at the Trust.
- 10.4.5. Can allow a Trustee, Local Governor or Member to participate where the existence of his / her other interest poses a low risk to decision-making in the Trust's interest, or is likely to have only an insignificant bearing on his / her approach to an issue.
- 10.4.6. Should be aware that the presence of a conflicted Trustee, Local Governor or Member can affect trust between Trustees, Local Governors or Members, could inhibit free discussion, and might influence decision-making in some way.
- 10.5. Trustees, Local Governors or Members can, before their discussion, ask a Trustee, Local Governor or Member who is withdrawing, to provide any information necessary to help make the decision in the best interests of the Trust and its pupils.

## **11. Records of proceedings**

- 11.1. Trustees, Local Governors or Members should record in the minutes, details of any and all discussions on potential conflicts of interests and the decisions made.

## **12. Confidentiality**

- 12.1. Trustees, Local Governors or Members cannot use information obtained at the Trust for their own benefit or that of another organisation if it has been obtained in confidence or has special value such as commercial sensitivity.

## **13. Monitoring and enforcement**

- 13.1. The Trust will carry out continuous monitoring of its activities and members to ensure that any conflicts of interest are identified and mitigated as soon as possible.

- 13.2. Trustees, Local Governors or Members who fail to declare an interest and are found to be in conflict with the best interests of the Academy will be expected to explain to the Trust Board his / her reasons for their omission.
- 13.3. Members may decide to terminate the membership of the relevant Trustees, Local Governors or Members if he / she is found to have knowingly and deliberately failed to declare an interest and has brought the Trust into disrepute.

#### **14. Policy circulation**

- 14.1. This policy will be provided to Trustees, Local Governors and Members, who shall annually complete a Declarations of Interest.
- 14.2. This policy will be included in the publication scheme on the Trust's website and will be made available to the public.

**Appendix A Great Heights Academy Trust - Register of Business Interests**

**Name ..... All Staff**

I confirm that I have read the Conflicts of Interest Policy (available on your designated online resource page); I understand the Policy and agree to abide by it.

\* Neither I nor any close relatives have interests to register/I wish to register the following interests:

1 Any directorships, partnerships, employment, office, trade, profession or vocation that provide goods or services to Great Heights Academy Trust

.....

2 Any sponsorship

.....

3 Any land in the area of the Trust or licences to occupy land

.....

4 Any interests in companies and securities which the academy may use, including close personal relationships

.....

5 Any relationships with members of the school's staff/trustees/local governor/Member

.....

6 Holding another public office, trusteeships and governorships

.....

Signature ..... Date .....

Signature ..... Date .....

Signature ..... Date .....

Signature ..... Date .....

\* Please delete as appropriate. For each interest: the name of the business; the nature of the business; the nature of the interest; and the date the interest began.

**Appendix B Great Heights Academy Trust - Register of Business Interests**

**Name** ..... **Senior Management /Trustee / Member / Local Governor**

**Spouse** .....

I confirm that I have read the Conflicts of Interest Policy (available on your designated online resource page); I understand the Policy and agree to abide by it.

\* Neither I nor any close relatives have interests to register/I wish to register the following interests:

1 Any directorships, partnerships, employment, office, trade, profession or vocation that provide goods or services to Great Heights Academy Trust

.....

2 Any sponsorship

.....

3 Any land in the area of the Trust or licences to occupy land

.....

4 Any interests in companies and securities which the academy may use, including close personal relationships

.....

5 Any relationships with members of the school's staff/trustees/local governor/Member

.....

6 Holding another public office, trusteeships and governorships

.....

Signature ..... Date .....

Signature ..... Date .....

Signature ..... Date .....

Signature ..... Date .....

\* Please delete as appropriate. For each interest: the name of the business; the nature of the business; the nature of the interest; and the date the interest began.