

Wootton Academy Trust



Conflict of Interest Policy

- a) This policy applies to all schools managed by Wootton Academy Trust
- b) This policy was adopted by Wootton Academy Trust in December 2014
- c) This policy was reviewed by Wootton Academy Trust in December 2014

This policy sets out the framework for ensuring that the decisions and decision-making processes at Wootton 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, Directors, Governors, Members and staff 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. For the purposes of this document, Governors, Trustees/Directors and Members will be referred to as Trustees.

The Academies Financial Handbook 2014 states that trustees must:

- *understand and comply with their statutory duties as company Governors to avoid conflicts of interest, not to accept benefits from third parties, and to declare interest in proposed transactions or arrangements;*
- *all members, trustees, local governors of academies within a multi-academy trust, and senior employees have completed the register of interests retained by the trust, in accordance with sections 3.1.16 to 3.1.19 of this handbook, and there are measures in place to manage any conflicts of interest;*
- *no member, trustee, local governor, employee or related individual or organisation uses their connection to 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;*

All trustees should be aware of the duties specified in the Academies Financial Handbook relating to relationships with connected parties and the Register of Interests (Academies Financial Handbook 3.1.11 – 3.1.20: 3.2.1 – 3.2.11)

Wootton Academy Trust therefore intends to:

- Ensure that every trustee 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 Wootton 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.

2. Definition

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

3. Identifying conflicts of interest

- 3.1. Wootton Academy Trust expects individual trustees and Advisory Bodies to be able to identify any conflicts of interest at an early stage.
- 3.2. Individual trustees 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 Trust and its pupils.
- 3.3. The Board of Directors must ensure that any conflicts of interest do not prevent them from making a decision only in the best interests of the Trust and its pupils.

4. Articles of Association

4.1 Wootton Academy Trust Articles of Association (para 98) states:

Any Director 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 Director shall disclose that fact to the Directors as soon as he becomes aware of it. A Director must absent himself from any discussions of the Directors in which it is possible that a conflict will arise between his duty to act solely in the interests of the Company and any duty or personal interest (including but not limited to any Personal Financial Interest).

5. Interests which should be declared

5.1. Trustees will be expected to declare the following interests:

- Holding a public office.
- Being an employee, director, advisor or partner of a business or organisation.
- Directorships, partnerships and employments with businesses that provide goods or services to the Trust.
- Having a beneficial interest in a Trust.
- Having received a gift, hospitality, or other benefit from someone / an organisation.
- Trustees or governorships including at other educational institutions and charities irrespective of whether there is a trading relationship with the Trust.
- 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.
- Any relationship with Trust staff.
- Owning any land in the area of the Trust.

6. Trustee benefits

- 6.1. Trustees can only benefit from their membership of the Trust where there is an explicit authority in place in the Academy's governing document before any decision conferring trustee benefit is made.
- 6.2. Trustee's benefits include any payments or benefits to governors or a connected person, apart from their reasonable out of pocket expenses, covered by the Directors Expenses Policy. They also cover situations where a governor 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, or to a person or company closely connected with a trustee, this will need to be authorised by the Secretary of State for Education, even if the disposal is at full market value.
- 6.4. The payment of reasonable expenses to Trustee's is not a benefit, so it does not create a conflict of interest or require authorisation.

7. Register of interests

- 7.1. Trustee's should keep an updated record of any conflicts of interest in the Trusts register of interests, which is maintained by the Finance Director. The Trust must publish on its website the relevant business and pecuniary interests of trustees and members. Trusts have discretion over the publication of interests of other individuals (close family members or friends) relating to trustees and members.

8. Declaring interests

- 8.1. Trustee's should have a standard agenda item at the beginning of each meeting of the governing body to declare any actual or potential conflicts of interest.
- 8.2. A Trustee 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 is uncertain whether or not he / she is conflicted, he / she should declare the issue and discuss it with the other Trustee's.
- 8.4. If a Trustee is aware of an undeclared conflict of interest affecting another trustee, then he / she should notify the other trustee's or the Chair of the Trust.

9. Removing conflicts of interest

- 9.1. Trustees must consider the conflict of interest so that any potential effect on decision-making is eliminated.
- 9.2. Trustees 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 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.

- 9.2.3. Mean that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach.
- 9.2.4. Are associated with inappropriate trustee benefit.

10. Withdrawing from decision-making

- 10.1. Where there is a proposed financial transaction between a Trustee and Wootton Academy Trust, or any transaction of arrangement involving trustee benefit:
 - 10.1.1 The benefit must be authorised in advance by the Finance & General Purposes Committee. If there is no Finance & General Purposes Committee meeting planned within the time frame of authorisation being required, then the Chair of the Finance & General Purposes Committee and the Chair of the Audit Committee can be contacted to authorise the benefit. If the person affected is the Chair of the Finance & General Purposes Committee or the Chair of the Audit Committee then the Chair of one of the Advisory Bodies or other member of the Finance & General Purposes Committee must authorise the benefit.
 - 10.1.2 The Board of the Trust expects the affected trustee 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 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 should declare the interest.
- 10.3. The remainder of the Board of Trustee's must then decide what level of participation, if any, is acceptable on the part of the conflicted trustee. The options might include, but are not limited to, deciding whether the conflicted trustee:
 - 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:
 - 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 Wootton Academy Trust and its pupils, and independently of any competing interest.
 - 10.4.4. Should require the withdrawal of the affected trustee from any decisions where the trustee's other interest is relevant to a high risk or controversial trustee decision or could, or be seen to, significantly affect the trustee's decision-making at the Academy.
 - 10.4.5. Can allow a trustee 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 can affect trust between trustees, could inhibit free discussion, and might influence decision-making in some way.
- 10.5. Trustees can, before their discussion, ask a trustee 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 should record in the minutes, details of any and all discussions on potential conflicts of interests and the decisions made.

12. Confidentiality

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

Appendix A



Annual Conflicts of Interest Acknowledgement Statement

In accordance with section 13 of the Conflicts of Interest Policy ("the Policy"), I, the undersigned Member/Trustee/Governor with powers delegated by the Wootton Academy Trust Board confirm that I have:

1. Received a copy of the Policy.
2. Read and understood the Policy.
3. Agreed to comply with the Policy.

Print name

Signature

Dated ___ / ___ / ___

Appendix B

Please see attached