



CONFLICT OF INTEREST PROCEDURE

TRUSTEES OF THE CENTRAL RSA ACADEMIES TRUST

Recommended by:	CRSAAT CFO
Recommendation Date:	February 2020
Ratified by:	F&R Committee
Signed:	
Position on Board:	Chair of F&R
Ratification Date	22/01/2020
Next Review:	February 2021
Policy Tier (Central/Hub/School):	Central

1. LEGAL FRAMEWORK

- 1.1. This procedure takes its legal framework from the following legislation and statutory guidance and takes into account the Central RSA Academies Trust's (the Trust's) governing documents:
- Academies Funding Agreements
 - Academies Financial Handbook 2018, Education Funding Agency
 - Companies Act 2006
 - The Essential Trustee: What you need to know, Charity Commission
 - Conflicts of Interest: A Guide for Charity Trustees, Charity Commission

2. DECLARING INTERESTS

- 2.1. Governors/Trustees/Members should have a standard agenda item at the beginning of each meeting of the LAGB/Trust Board to declare any actual or potential conflicts of interest.
- 2.2. A Governor/Trustee/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.
- 2.3. If a Governor/Trustee/Member is uncertain whether or not he/she is conflicted, he/she should declare the issue and discuss it with the other Governors/Trustees/Members.
- 2.4. If a Governor/Trustee/Member is aware of an undeclared conflict of interest affecting another Governor/Trustee/Member, then he/she should notify the other Governors/Trustees/Members or the Chair.
- 2.5. Governors/Trustees/Members should complete annually the Trusts' Conflicts of Interest Declaration, see Appendix A.
- 2.6. In accordance with the Academies Financial Handbook 2018, section 3.1.11 the Trust must publish on the Trust's website relevant business and pecuniary interests of Governors/Trustees/Members and members. The Governors/Trustees/Members will exercise the discretionary option to not publish the interests of other individuals including parent, spouse, civil partner, cohabitee and child.

3. REMOVING CONFLICT OF INTEREST

- 3.1. Governors/Trustees/Members must consider the conflict of interest so that any potential effect on decision-making is eliminated.
- 3.2. Governors/Trustees/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:
- 3.2.1. Are so acute and extensive that the Governors/Trustees/Members are unable to make their decisions in the best interest of the Trust and its students or could be seen to be unable to do so.
- 3.2.2. Are present in significant or high-risk decisions of the Governors/Trustees/Members.
- 3.2.3. Mean that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach.
- 3.2.4. Are associated with inappropriate Governor/Trustee/Member benefit.

4. WITHDRAWING FROM DECISION-MAKING

- 4.1. Where there is a proposed **financial transaction** between a Governor/Trustee/Member and the Trust, or any transaction of arrangement involving Governor/Trustee/Member benefit:
- 4.1.1. The benefit must be authorised in advance.
- 4.1.2. The affected Governor/Trustee/Member shall be absent from any part of any meeting where the issue is discussed or decided.
- 4.1.3. The affected individual should not vote or be counted in deciding whether a meeting is quorate.
- 4.2. Where there is a conflict of loyalty and the affected Governor/Trustee/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 Governor/Trustee/Member should declare the interest.
- 4.3. The remainder of the LAGB/Trust Board 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 Governor/Trustee/Member:
- 4.3.1. Having registered and fully declared the interest, can otherwise participate in the decision.

- 4.3.2. Can stay in the meetings where the decision is discussed and made, but not participate.
- 4.3.3. Should withdraw from the decision-making process in the way described above.
- 4.4. In deciding which course of action to take regarding a conflict of interest, Governors/Trustees/Members:
 - 4.4.1. Must always make their decisions only in the best interest of the Trust and its students.
 - 4.4.2. 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.
 - 4.4.3. Should always be able to demonstrate that they have made decisions in the best interests of the Trust and its students, and independently of any competing interest.
 - 4.4.4. Should require the withdrawal of the affected Governor/Trustee/Member from any decisions where the Governor's/Trustee's/Member's other interest is relevant to a high risk or controversial Governor/Trustee/Member decision or could, or be seen to, significantly affect the Governor's/Trustee's/Member's decision-making at the Academy.
 - 4.4.5. Can allow a Governor/Trustee/Member to participate where the existence of his/her other interest poses a low risk to decision-making in the Academy's interest or is likely to have only an insignificant bearing on his/her approach to an issue.
 - 4.4.6. Should be aware that the presence of a conflicted Governor/Trustee/Member can affect trust between Governors/Trustees/Members, could inhibit free discussion, and might influence decision-making in some way.
- 4.5. Governors/Trustees/Members can, before their discussion, ask a Governor/Trustee/Member who is withdrawing, to provide any information necessary to help make the decision in the best interests of the Trust and its students.

5. RECORDS OF PROCEEDINGS

- 5.1. Governors/Trustees/Members should record in the minutes, details of any and all discussions on potential conflicts of interests and the decisions made.
- 5.2. Where there is a conflict of interest the written record should show:
 - the nature of the conflict
 - which Governor/Trustee/Member or Governors/Trustees/Members were affected
 - whether any conflicts of interest were declared in advance
 - an outline of the discussion
 - whether anyone withdrew from the discussion
 - how the Governors/Trustees/Members took the decision in the best interests of the Central RSA Academies Trust.

6. CONFIDENTIALITY

- 6.1. Governors/Trustees/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.

7. MONITORING AND ENFORCEMENT

- 7.1. The governing body of the Central RSA Academies Trust will carry out monitoring of its activities and members to ensure that any conflicts of interest are identified and mitigated as soon as possible. The Audit, Risk and Governance sub-committee will undertake this work.
- 7.2. Governors/Trustees/Members 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 LAGB/Trust Board his/her reasons for their omission.
- 7.3. Members may decide to terminate the membership of the relevant Governor/Trustee/Member from the LAGB/Trust Board/Sub-Committee, if he/she is found to have knowingly and deliberately failed to declare an interest and has brought the Trust into disrepute.
- 7.4. Members will consider reporting serious breaches to the appropriate bodies such as the Education Funding Agency, Charity Commission and the appointed auditors for Central RSA Academies Trust.

8. PROCEDURE CIRCULATION

- 8.1. The procedures will be circulated to every Governor/Trustee/Member who shall annually sign a statement, contained within Appendix A, which affirms that he/she has:
 - Received a copy of the procedure
 - Has read and understood the procedures

- Has agreed to comply with the procedures.
- 8.2. In accordance with section 3.10.11 of the Academies Financial Handbook 2018 Governors'/Trustees'/Members' summaries of declarations of interest will be included in the publication scheme on the Trust's website and will be made available to the public.



CENTRAL RSA ACADEMIES TRUST REGISTER OF BUSINESS INTERESTS

I, the undersigned Governor/Trustee/Member with powers delegated by the Trust Board of the Central RSA Academies Trust, hereby attests and affirms that I have: 1. Received a copy of the Procedure 2. Read and understood the Procedure 3. Agreed to comply with the Procedure

Name: _____

Signature: _____

Date: _____

Name of Organisation	Nature of Interest	Date from which involved	Date of signature	Date interest ceased	Notes

Governors/Trustees/Members are reminded that completion of this form does not remove the requirement upon them to disclose orally any interest at any specific meeting and to leave the meeting for that agenda item.

FOR THE GUIDANCE OF GOVERNORS/TRUSTEES/MEMBERS, A SUMMARY OF THE RELEVANT PART OF THE REGULATIONS ABOUT WITHDRAWAL FROM MEETINGS AND DISCLOSURE OF INTEREST ARE SET OUT BELOW.

WITHDRAWAL FROM MEETINGS - HAVING AN INTEREST

The general principle is that no-one should be involved in a decision where his or her personal interests may conflict with those of the governing body.

- The regulations apply to all members of the governing body and the headteacher and any others in attendance at the meeting, though if a matter is to be voted upon, then only to the members of the governing body.
 - The clerk to the governing body shall only be required to withdraw when the governing body is discussing the clerk's pay/contract or disciplinary action against the clerk.
 - Governors have to withdraw when their own appointment, reappointment or removal as a member of the governing body or a committee is under consideration.
 - Any governor who is employed to work at the school (other than the headteacher), must withdraw from a meeting where the pay or performance appraisal of any particular person employed to work at the school is under discussion.
 - The headteacher must withdraw from any meeting where his/her own pay or performance appraisal is under discussion.
 - If a person has any pecuniary interest, direct or indirect in any contract, proposed contract or any other matter under discussion at a meeting s/he shall at the meeting disclose the fact and:
 - (a) withdraw from a meeting during the consideration or discussion of the meeting;
 - (b) not vote on any question with respect to that matter.
- A person has an indirect pecuniary interest if:
 - (a) s/he, or any nominee of hers/his, is a member of a company or other body with which a contract is under consideration or has been made;
 - (b) s/he is a partner in business or in the employment, of a person with whom the contract is made or under consideration.
 - A person has a direct or indirect pecuniary interest in a matter if a relative (including a spouse) living with her/him, has a direct or indirect pecuniary interest.
 - The headteacher (whether a governor or not), a governor who is a teacher or member of the non-teaching staff, or any teacher who is in attendance in an advisory capacity should not have an interest that is greater than the interest of the generality of teachers at the school.
 - A person present at a meeting of a selection panel at which the subject for consideration is that person's appointment (or that of his/her relative or spouse) to a post as a teacher or otherwise at the school, a transfer or promotion or retirement or shall be a candidate for the resulting vacancy, s/he shall be deemed to have an interest.