



West Norfolk  
Academies Trust

# **CONFLICT OF INTEREST POLICY**

**Reviewed by: Trustees**

**Approved: June 2017**

**Next review date: June 2021**

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## **1. Statement of Intent**

- 1.1** This policy sets out the framework for ensuring that the decisions and decision-making processes at The West Norfolk Academies Trust are, and are seen to be, free from personal bias and do not unfairly favour any individual or company connected with any of the Academies.
- 1.2** Trustees and Governors 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.
- 1.3** Situations may arise where family interests or loyalties conflict with those of the Academies. 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.
- 1.4** The West Norfolk Academies Trust therefore intends to:
  - Ensure that every Trustee and Governor 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 The Trust.

## **2. Legal framework**

- 2.1** This policy takes its legal framework from the following legislation and statutory guidance:
  - Companies Act 2006.
  - Conflicts of Interest: A Guide for Charity Trustees.
- 2.2** This policy must be read in conjunction with the following other policies:
  - Finance Handbook.
  - Trustee/Governor Code of Conduct.

## **3. Definition**

- 3.1** The West Norfolk Academies Trust adopts the definition of the Charity Commission, which states that a conflict of interest is any situation where a Trustee/Governor's personal interests or loyalties could, or could be seen, to prevent the Trustee/Governor from making a decision in the best interests of the Trust.

#### **4. Identifying conflicts of interest**

- 4.1** The West Norfolk Academies Trust expects individual Trustees/Governors and governing bodies to be able to identify any conflicts of interest at an early stage.
- 4.2** Individual Trustees/Governors 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.
- 4.3** The Trustees and governing bodies 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.

#### **5. Articles of Association**

- 5.1** The Trust's Articles of Association (para 98) state:
  - Any Trustee/Governor 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/Governor shall disclose that fact to the Trustee/Governors as soon as he becomes aware of it. A Trustee/Governor must absent himself from any discussions of the Trustee/Governor in which it is possible that a conflict will arise between his duty to act solely in the interests of the Trustees and, Trustee/Governors and any duty or personal interest (including but not limited to any Personal Financial Interest).

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

- 6.1** Trustees/Governors 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.
  - Having a professional or legal obligation to someone else.
  - Having a beneficial interest in a trust.
  - Having received a gift, hospitality, or other benefit from someone / an organisation.
  - Being a spouse, partner, relative or close friend of someone who has one of these interests.

#### **7. Register of interests**

- 7.1** Trustees/Governors should keep an updated record of any conflicts of interest in the Trust's register of interests, which is maintained by the Clerk to the Trustees and kept in the Trust office.

## **8. Declaring interests**

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

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

- 9.1** Trustees/Governors must consider the conflict of interest so that any potential effect on decision-making is eliminated.
- 9.2** Trustees/Governors 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:
  - Are so acute and extensive that the Trustees/Governors 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.
  - Are present in significant or high risk decisions of the Trustees/Governors.
  - 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/Governor benefit.

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

- 10.1** Where there is a proposed financial transaction between a Trustee/Governor and the Trust, or any transaction of arrangement involving Trustee/Governor benefit:
  - The benefit must be authorised in advance by the Finance Committee. If there is no Finance Committee meeting planned within the time frame of authorisation being required, then the Chair of the Finance Committee and one other finance Trustee/Governor can be contacted to authorise the benefit. If the person affected is the Chair of the Finance Committee then the Chair of the Trustees plus one other finance Trustee/Governor must authorise the benefit.
  - The Trustees and governing body expects the affected Trustee/Governor to be absent from any part of any meeting where the issue is discussed or decided.
  - 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/Governor 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/Governor should declare the interest.
- 10.3** The remainder of the governing body must then decide what level of participation, if any, is acceptable on the part of the conflicted Trustee/Governor. The options might include, but are not limited to, deciding whether the conflicted Trustee/Governor:
- Having registered and fully declared the interest, can otherwise participate in the decision.
  - Can stay in the meetings where the decision is discussed and made, but not participate.
  - 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/Governors:
- Must always make their decisions only in the best interest of the Trust and its pupils.
  - 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.
  - 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.
  - Should require the withdrawal of the affected Trustee/Governor from any decisions where the Trustee's/Governor's other interest is relevant to a high risk or controversial Trustee/Governor decision or could, or be seen to, significantly affect the Trustee/Governor's decision-making at the Trust.
  - Can allow a Trustee/Governor 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.
  - Should be aware that the presence of a conflicted Trustee/Governor can affect trust between Trustees/Governors, could inhibit free discussion, and might influence decision-making in some way.
- 10.5** Trustees/Governors can, before their discussion, ask a Trustee/Governor 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/Governors 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/Governors 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 Audit Committee of The West Norfolk Academies 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/Governors 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 Trustees his / her reasons for their omission.
- 13.3** Members may decide to terminate the membership of the relevant Trustee, 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 circulated to every Trustee/Governor and member of a committee, who shall annually sign a statement which affirms that he / she has:
- Received a copy of the policy.
  - Has read and understood the policy.
  - Has agreed to comply with the policy.
- 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

### Annual Conflicts of Interest Acknowledgement Statement

In accordance with section 14.1 of the Conflicts of Interest Policy (“the Policy”), I, the undersigned Trustee/Governor with powers delegated by the governing body of The West Norfolk Academies Trust hereby attests and affirms that I have:

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

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Print name

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Signature

Dated:

**Appendix B**

Declaration of Business Interests

Name of Governor.....

School.....

Please declare below the name of any close relative employed or contracted to work in any of the Academies Trust Schools

I certify that I have declared all beneficial interests which I or any person closely connected with me have with businesses or other organisations which may have dealings with the school.

Signed ..... Date .....