



Nurture  
ACADEMIES TRUST

## **Conflicts of Interest Policy and Procedure**

Adopted by the Board of Trustees

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## **Statement of intent**

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

Members of the Trust Board and Local Governing Bodies have an obligation to act in the best interests of the school communities and in accordance with their 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 and its schools. Such interests may create problems as they can inhibit free discussions, result in decisions or actions that are not in the interests of the Trust and its schools, and risk the impression that the Trust and its schools have acted improperly.

Nurture Academies Trust has created this policy in order to:

- Ensure that every Trustee / 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 and its schools.

### **1. Legal framework**

- 1.1. This policy has due regard to statutory legislation, including but not limited to, the following:
  - Companies Act 2006
- 1.2. This policy also has due regard to guidance, including but not limited to, the following:
  - Charity Commission 'Conflicts of Interest: a Guide for Charity Trustees' 2014
  - DfE 'Governance Handbook' 2017
  - ESFA 'Academies Financial Handbook' 2017 (updated annually)
  - ESFA 'Academies Accounts Direction' 2016 to 2017 (updated annually)

### **2. What are conflicts of interest?**

- 2.1. For the purpose of this policy, "conflicts of interest" are any situation where a member of the Trust Board or Local Governing Body's personal interests or loyalties could, or could be seen to, prevent the individual from making a decision in the best interests of the Trust or school.

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

- 3.1. The Trust expects members of the Trust Board or Local Governing Body to be able to identify any conflicts of interest at an early stage.
- 3.2. Individual members of the Trust Board or Local Governing Body 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, schools and pupils.
- 3.3. The Trust Board or Local Governing Body will ensure that any conflicts of interest do not prevent them from making a decision that would be only in the best interests of the school and its pupils.

#### **4. Interests that will be declared**

- 4.1. Members of the Trust Board or Local Governing Body will 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

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

- 5.1. Any member of the Trust Board or Local Governing Body who has, or can have, a direct or indirect personal interest which could conflict with their duties, will declare that interest to the rest of the Trust Board or Local Governing Body as soon as he/she becomes aware of it.

#### **6. Governing body benefits**

- 6.1. Conflicts of interest can arise where there is a potential or measurable financial benefit to a member of the Trust Board or Local Governing Body, or to a person connected to a member.
- 6.2. Members of the Trust Board or Local Governing Body can only benefit from the school where there is an explicit authority in place in the Trust's Memorandum and Articles of Association.
- 6.3. Trust Board or Local Governing Body benefits include any payments or benefits to members, or a connected person, apart from their reasonable out-of-pocket expenses.
- 6.4. Benefits also include situations where a member of the Trust Board or Local Governing Body could receive property, loans, good or services from the Trust or school.
- 6.5. Where there is a proposed sale or lease of land to a member of the Trust Board or Local Governing Body, or to a person or company closely connected with a member, this will require authorisation from the DfE before it is granted, even if the disposal is at full market value.
- 6.6. The payment of reasonable expenses to a member of the Trust Board or Local Governing Body is not a benefit, and therefore, does not create a conflict of interest or require authorisation from the DfE.

#### **7. Conflicts of loyalty**

- 7.1. Conflicts of interest can also arise, even if the individual does not gain any financial benefit, when their decision-making as a member of the Trust Board or Local Governing Body could be influenced by their other interests.
- 7.2. Members of the Trust Board or Local Governing Body will be required to declare any interest which may conflict with their loyalty to:
  - Another organisation, such as their employer.
  - A member of their family.
  - Another connected person or organisation.
  - Another governing body or committee of which they are a member.
  - The individual that appointed them to the governing body.
- 7.3. Members of the Trust Board or Local Governing Body will also be required to declare any conflicts of interest where their religious, political or personal views could interfere with their ability to make decisions in the best interest of the Trust and school.

## **8. Declaring interests**

- 8.1. The Trust Board or Local Governing Body will be provided with a standard agenda item at the beginning of each meeting, in order to declare any actual or potential conflicts of interest.
- 8.2. All members of the Trust Board or Local Governing Body will be required to declare any interest which has been outlined as an item to be discussed, at the earliest possible opportunity and before any discussion of the item itself.
- 8.3. If a member is unsure whether or not they are conflicted, they are required to declare the issue and discuss it with the rest of the Trust Board or Local Governing Body.
- 8.4. If a member is aware of an undeclared conflict of interest affecting another member, they are required to notify the rest of the Trust Board or Local Governing Body for appropriate action.
- 8.5. All members of the Trust Board or Local Governing Body are required to declare any conflicts of interests they have using the Declaration of Interest Form (Appendix A).

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

- 9.1. The Trust Board or Local Governing Body will consider any conflict of interest declared, ensuring that any potential effect on decision-making is eliminated.
- 9.2. The Trust Board or Local Governing Body will follow any legal or governing document requirements on how a conflict of interest must be handled, but may, in serious cases, decide that removing a conflict of interest itself is the most effective way of preventing it from affecting their decision-making.
- 9.3. Serious conflicts of interest include, but are not limited to, those which:
  - Are so acute and extensive that the member is unable to make their decision in the best interest of the Trust, the school and its pupils.
  - Are present in significant 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 an inappropriate Trust Board or Local Governing Body benefit.

9.4. In order to remove a conflict of interest, the Trust Board or Local Governing Body will undertake appropriate action, including:

- Not pursuing the course of action.
- Proceeding with the issue in a different way so that a conflict of interest does not arise.
- Securing the resignation of the member affected by a conflict of interest.
- Not making member appointments which would knowingly introduce a conflict of interest.

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

10.1. Where there is a proposed financial transaction between a member of the Trust Board or Local Governing Body and the Trust or school, or any transaction of arrangement involving a member's benefit:

- The benefit will be authorised in advance.
- The Trust Board or Local Governing Body will ensure that the member is absent from any part of any meeting where the issue is discussed or decided upon.
- The affected member will not be able to vote or be counted in deciding whether a meeting is quorate.

10.2 Where there is a conflict of loyalty and the affected member does not stand to gain any benefit, the member will be required to declare the interest.

10.3 The rest of the Trust Board or Local Governing Body will then decide on what level of participation, if any, is acceptable on the part of the conflicted member.

10.4 The Trust Board or Local Governing Body will decide whether the affected member:

- Can participate in the decision, after having registered and fully declared their interest.
- Can stay in the meetings where the decision is discussed and made, but not participate.
- Must be withdrawn from the decision-making process.

10.5 When deciding which course of action to take, the Trust Board or Local Governing Body will:

- Always make their decisions only in the best interest of the Trust, school and its pupils.
- Always protect the Trust's reputation and be aware of the impression that their actions and decisions may have on others.
- Always be able to demonstrate that they have made decisions in the best interests of the Trust, school and its pupils, and independently of any competing interest.
- Require the withdrawal of the affected member from any decisions where their other interest is relevant to a high-risk or controversial decision, or could significantly affect the member's decision-making.
- Allow a member to participate where the existence of their other interest poses a low risk to decision-making in the Trust or school's interest, or is likely to have only an insignificant bearing on their approach to an issue.
- Be aware that the presence of a conflicted member can affect trust between other members of the Trust Board or Local Governing Body, could inhibit free discussion, and might influence decision-making in some way.

10.6. The Trust Board or Local Governing Body may request any information necessary from the affected member, in order to help make the decision in the best interests of the Trust, school and its pupils.

## **11. Records of proceedings**

11.1. Following a decision, the Trust Board or Local Governing Body will keep a written record of the following:

- The nature of the conflict
- Which 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 Trustees / Governors reacted to the decision made

11.2. The Trust Board or Local Governing Body will also keep a written record of any payments or benefits that have been made, including under what authority these were made and the reasoning for them.

11.3. The Trust Board or Local Governing Body will not use information obtained at the school for their individual benefit, or that of another organisation, if it has been obtained in confidence or has special value, such as commercial sensitivity.

## **12. Monitoring conflicts of interest**

12.1. The Trust Board or Local Governing Body will carry out continuous monitoring of its activities and members to ensure that any conflicts of interests are identified and mitigated as soon as possible.

12.2. Any member of the Trust Board or Local Governing Body who fails to declare an interest and is found to be in conflict with their decision-making will be required to explain the reasons for their omission to the rest of the Trust Board or Local Governing Body.

12.3. The Trust Board or Local Governing Body may decide to terminate the membership of an affected member, if they are found to have knowingly and deliberately failed to declare an interest or have brought the school into disrepute.

**All members of the Trust Board and Local Governing Body are required to read and make themselves familiar with this policy upon their appointment.**

**Declaration of pecuniary and personal interest**

**Name:** .....

**School:** .....

**Position:** .....

I declare as a Member/Trustee/Governor of [School/Nurture Academies Trust] that I hold the following personal and/or pecuniary interest(s):

Pecuniary interests	Please provide details of the interest
Current employment	
Businesses (of which I am a partner or sole proprietor)	
Company directorships – details of all companies of which I am a director	
Charity trusteeships – details of all companies of which I am a trustee	
Membership of professional bodies, membership organisations, public bodies or special interest groups of which I am a member and have a position of general control or management	
Gifts or hospitality offered to you by external bodies while acting in your position as a governor/trustee and whether this was declined or accepted in the last 12 months	
Contracts offered by you for the supply of goods and/or services to the trust/school	
Please declare if you have been declared bankrupt and/or you have any arrangement with any creditors	
Any other conflict	

Personal interests	Name	Relationship to me	Organisation	Nature of the interest
Immediate family/close connections to members of Trust/potential members of the Trust				
Company directorships or trusteeships of family/close connections to governor/trustee				

**If you are a governor or trustee of any other schools and/or academies, please provide details below:**

<b>Name of school/academy:</b>	
<b>Position held:</b>	
<b>Date appointed/elected to post:</b>	
<b>Date of termination to post:</b>	

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<b>Position held:</b>	
<b>Date appointed/elected to post:</b>	
<b>Date of termination to post:</b>	

To the best of my knowledge the information supplied above is correct and complete. I understand that it is my responsibility to declare any conflict of interest/loyalty, business or personal that relates directly or indirectly, to myself or any relation in any contract, proposed contract or other matter when present at a meeting at the school where such contract or matter comes under consideration. I understand that I must withdraw from any meeting during the discussion of such contract or matter and must not vote in respect of it.

I agree to review and update this declaration annually and give consent for the information provided to be used in accordance with the trust/school's Conflicts of Interest policy. Should the status of the declaration change at any point during the year, the Clerk should be informed immediately.

For Members only – in the event of the appointment of a proxy, the declaration will be completed by the nominated person and submitted with the instrument.

**Signed:** \_\_\_\_\_

**Date:** \_\_\_\_\_