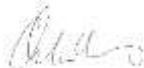




CONFLICT OF INTEREST POLICY

TRUSTEES OF THE CENTRAL RSA ACADEMIES TRUST

Recommended by:	CRSAAT CFO
Recommendation Date:	February 2019
Ratified by:	F&R Committee
Signed:	
Position on Board:	Chair of F&R
Ratification Date	06/02/2019
Next Review:	February 2020
Policy Tier (Central/Hub/School):	Central

STATEMENT OF INTENT

This policy sets out the framework for ensuring that the decisions and decision-making processes at the Central RSA Academies Trust (the 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 have an obligation to act in the best interests of the Academies in 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 Academy has acted improperly.

The Central RSA Academies 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 the Central RSA Academies Trust.

1. LEGAL FRAMEWORK

1.1. This policy's framework is based on the following legislation and statutory guidance and takes into account the Academy Trust's governing documents:

- Academies Funding Agreements
- Academies Financial Handbook 2018, Education Skills 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. DEFINITION

2.1. The Central RSA Academy Trust adopts the definition of the Charity Commission, which states that a conflict of interest is any situation where a Governor's/Trustee's/Member's personal interests or loyalties could, or could be seen, to prevent the Trustee from making a decision in the best interests of the Academy.

3. IDENTIFYING CONFLICTS OF INTEREST

- 3.1. The Central RSA Academies Trust expects individual trustees and governing bodies to be able to identify any conflicts of interest at an early stage.
- 3.2. Individual Governors/Trustees/Members 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 students.
- 3.3. The Trust must ensure that any conflicts of interest do not prevent it from making a decision only in the best interests of the Trust and its students.
- 3.4. The Trust will maintain a register of interests, in accordance with the Conflicts of Interest procedure, which is kept by the Head of Corporate Services.

4. INTERESTS WHICH SHOULD BE DECLARED

- 4.1. In accordance with the Academies Financial Handbook 2018, section 1.3.3 the Central RSA Academies Trust must capture relevant business and pecuniary interests of members, trustees and senior employees, including:
 - i. directorships, partnerships and employments with businesses that provide goods and services to the trust;
 - ii. trusteeships and governorships including at other educational institutions and charities irrespective of whether there is a trading relationship with the trust; and
 - iii. for each interest: the name of the business, the nature of the business, the nature of the interest, and the date the interest began.

- 4.2. In accordance with the Academies Financial Handbook 2018, section 3.10.1 (Transactions with related parties) the Central RSA Academies Trust must also identify any material interest arising from close family relationships between Governors/Trustees/Members and employees. Close family relationships is defined as: a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner.
- 4.3. In accordance with the Conflicts of Interest: A Guide for Trustees, Charity Commission it is recommended that trustees declare all interests including business and personal interests and those of their spouse, partner, family and close relations.
- 4.4. In accordance with Companies Act 2006, Chapter 46, Part 10, Chapter 2, Ss 175 (1), where there has been declaration of a conflict of interest that does not involve a proposed financial transaction between a trustee and the Academy:
- A director of a company must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company.
- And Ss 177(6):
- A director need not declare an interest:
 - a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - b) if, or to the extent that, the other directors are already aware of it (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware); or
 - c) if, or to the extent that, it concerns terms of his service contract that have been or are to be considered:
 - i. by a meeting of the directors, or
 - ii. by a committee of the directors appointed for the purpose under the company's constitution.
- 4.5. If a conflict of interest arises the Conflicts of Interest procedure should be followed.

5. TRANSACTIONS WITH RELATED PARTIES

- 5.1. With reference to section 4.1i above, where an interest arises due to the provision of goods and services to the Trust the requirements contained with section 3.10.1 of the Academies Financial Handbook 20148 will determine how these matters are managed.

6. GOVERNORS/TRUSTEES/MEMBERS/EXPERTS BENEFITS

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