

CONFLICT OF INTEREST POLICY

1. Introduction

- 1.1 The Board of Trustees of The Two Counties Trust, a Multi Academy Trust, takes its financial responsibilities seriously and has formulated this policy in order to develop and maintain the very highest standards of financial management and governance in regard to conflicts of interest across the Trust.
- 1.2 This policy applies to:
- Trust Executive Leaders
 - Members
 - Trustees
 - School/Academy Senior Leadership Teams
 - Local Governors
 - Other staff within the central offices and schools/academies who have access to budgets and purchasing rights including the ability to influence purchasing decisions.
- 1.3 The Two Counties Trust's funding agreement confirms that the Trust must avoid conflicts of interest. Those listed in 1.2 must not accept gifts, or benefits from third parties and declare both pecuniary and non-pecuniary interest in proposed transactions.

No individual should use 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.

1.4 Conflict of Interest

A conflict of interest is any situation in which a person has a pecuniary or non-pecuniary (personal interest) or loyalty which could be perceived to prevent them from making a decision only in the best interests of the Trust/school/academy.

Pecuniary Interest

A pecuniary interest is one which relates to monetary/financial/business
Below are some examples of pecuniary interests:

- A financial interest in a company or organisation
- Directorships, partnerships and employments with businesses irrespective of whether or not they trade with the Trust/school/academy or subsidiary companies (The Two Counties Trust Trading Company, details of the subsidiaries can be provided at request).

Non-Pecuniary Interest

A non-pecuniary interest is one which is not related directly to monetary or financial business. Below are some examples of non-pecuniary interests:

- A Trustee having a position of influence at another Trust.
- The class teacher of a parent governor's child being subject to a disciplinary hearing
- A potential benefit in the future, such as the offer of employment or other benefits, from an organisation that undertakes or could undertake work on behalf of the Trust /school/academy or subsidiary companies.
- Close personal relationships with people or organisations that may, or do, undertake business with the Trust or its academies.

1.5 Disclosure of Interests

The Two Counties Trust requires that each person identified in section 1.2 must complete a Declaration of Interest Form (see annexe 1) at the beginning of each academic year.

A copy of the form must be provided to the Trust's Governance and Compliance Officer by 30 September annually. If there are no declarations, a nil return must be made.

New Members, Trustees, Local Governors and staff as set out in 1.2 will be required to complete the form on appointment.

Disclosures will be kept on a register of interests, and individual details must be updated if circumstances change. A copy of the register will be kept in the Trust's Finance Department and may be used prior to processing orders

The information provided in disclosures will be processed in accordance with data protection regulations. It will be processed only to ensure that individuals act in the best interests of The Two Counties Trust and will not be used for any other purpose.

1.6 Meetings, and management of conflicts during

Declarations of interest must be declared at the beginning of any Trust or Local Governing Body meeting. The interest may be relating to a financial transaction, or a personal gain to themselves, their family, relative, or employer. Anyone who may have an interest must be absent from any part of the meeting and they will not count towards quorum at the agenda item.

If there is a failure by an individual to declare an interest that is known to the Chair and/or Clerk, the interest will be referred to. After disclosure of any such interest, in the case of a meeting, the individual concerned will be asked to leave whilst the matter is discussed.

The Clerk must make reference to the interest in the minutes of the meeting.

1.7 Related Party Transactions

Related parties include persons and entities with control or significant influence over the Trust and any subsidiary companies.

The Companies Act 2006 states that a Director of a company must avoid a situation in which they have or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interest of the Trust. The Academies Financial Handbook also refers to Trustees who must not accept benefits and who must declare interests in transactions.

Any related party transaction must comply with 'at cost' requirements where the Trust must pay no more than the cost for good or services provided to it by related persons.

Approval and reporting of Related Party Transactions

There is a limit of £2,500 at which the 'at cost' requirements need to apply to related party transactions. Where cumulative annual total exceeds £2500 the element above this must be no more than at cost.

Trusts must obtain approval for any proposed related party transactions from the ESFA for the supply of goods or services:

- Where the contract exceeds £20,000
- The contract takes the total value of contracts with the related party transaction beyond £20,000 in the same financial year, and
- There have been contracts with related party exceeding £20,000 individually or cumulatively in the same financial year.

Full details on Related Party Transaction are detailed in the Academies Financial Handbook: <https://www.gov.uk/guidance/academies-financial-handbook>

1.8 This policy will be reviewed every three years or when relevant statutory guidance is updated.

This policy is related to the following other policies and procedures:

- The Two Counties Trust Finance Policies
- The Two Counties Trust Articles of Association
- The Two Counties Trust Data Protection Policy
- ESFA Academies Financial Handbook

Document management

Review cycle:	2 years
Next review due:	September 2022
Policy owner	Governance and Compliance Officer
Approving body:	The Board of Trustees

Annexe 1

DECLARATION OF INTEREST

Name:

Base:

Position:

You are required to make an appropriate Declaration of Interests where your interests could potentially conflict with the interests of the Trust or its schools/academies. All Members, Trustees, Governors and employees have a duty to make a Declaration of Interest upon appointment and annually.

Pecuniary interests

Generally, you should not participate in any discussions in which you may directly or indirectly benefit from a pecuniary interest, except where the relevant authority has authorised this i.e. articles of association. A direct benefit refers to any personal financial benefit and an indirect benefit refers to any financial benefit you may have by virtue of a relationship to someone who stands to gain from a decision of the Trust Board or Local Governing Body. Both direct and indirect interests must be declared.

Non-pecuniary interests (Conflicts of loyalty)

There may be a non-pecuniary interest whereby you do not stand to gain any benefit, but a declaration should still be made. For example, this might be where a Governor has a family member working in the school. While the Governor might not benefit personally, their judgement could be impaired if something was brought up that would affect the family member.

I, declare that I hold the following interest(s):

Pecuniary interests	Please provide nature of the interest	Date of Appointment
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		
Any other conflict		

Personal interests	Name	Relationship to me	Organisation	Nature of the interest
Immediate family/close connections to a member / trustee / governor/ other employee of the Trust				
Company directorships or trusteeships connected to a member / trustee / governor/ other employee				
If you are a governor/trustee/member or employee of any other school or academy, please provide details below				
Organisation:	Position held:	Date appointed:	Position ends on (if applicable):	Comments :

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 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/academy's conflicts of interest policy. You must sign, date and return this form even if you have no interests to declare.

I have read the conflict of interest policy which can be found here <http://www.twocountiestrust.co.uk/trust-policies-2/>

Signed:

Date: