

Conflicts of Interest Policy¹

1 Interpretation

- 1.1 'Trust' and/or 'Company' mean the Wellspring Academy Trust;
- 1.2 'Member', 'Trustee' and 'local governor' mean respectively the Members of the Trust, Directors (Trustees) of the Trust, and local governing body members of the Academies;
- 1.3 In this document 'Trustee' means collectively Member(s), Director(s) and local governor(s);
- 1.4 'Wellspring Academy Trust' means the Company established for the purpose of conducting a multi academy Trust in accordance with the Companies Act 2006;
- 1.5 'Sponsor college' means Barnsley College, Church Street, Barnsley
- 1.6 'Committee' means the Committees of the Board, including the local governing bodies of the Academies.

2 Purpose of the policy

- 2.1 Article 97 of the Articles of Association imposes on the *Trustees* of the Wellspring Academy Trust an obligation to disclose any actual or potential conflicts of interest and withdraw from discussions of the Board of Directors and its Committees where it is possible that a conflict of interests may arise.
- 2.2 The charity law duty is derived from common law whereas the company law duty can be found in the Companies Act 2006.
- 2.3 As trustees of a charitable company limited by guarantee the Governors (Trustees) of the sponsor College involved in the Wellspring Academy Trust have two sets of similar, and largely overlapping, duties to avoid conflicts of interest. The first duty comes from the charity law duty imposed on the governors by virtue of their position as charity law trustees. The second duty comes from company law and is imposed on governors (trustees) by virtue of their position as company law directors.
- 2.4 The Trustees have a legal obligation to act in the best interests of the Trust and in accordance with the Wellspring Academy Trust's memorandum and articles of association (its governing document) and to avoid situations where there is an actual conflict of interests or a potential conflict of interests where it is reasonably perceived that an actual conflict could emerge.
- 2.5 Building on these duties imposed by law, it is the policy of the Wellspring Academy Trust that all trustees and senior staff attending meetings of the Trust or its Committees and committee members who are not Directors of the Wellspring Academy Trust, must keep to the absolute minimum all unavoidable conflicts of interest between the interests of the Trust on the one hand and the personal, professional and business interests of the individual concerned, and of persons connected with them, on the other. This includes avoiding as far

¹ This policy should be read in conjunction with the Charity Commission's guide "Conflicts of interest: a guide for charity trustees"
http://webarchive.nationalarchives.gov.uk/+http://www.charitycommission.gov.uk/charity_requirements_guidance/charity_governance/good_governance/conflicts.aspx.

as possible perceptions of conflicts of interest, as well as potential and actual conflicts of interest.

The purposes of this policy are:

- to ensure that Trustees comply with their legal duties;
- to protect the integrity of the Wellspring Academy Trust's decision-making process;
- to enable all outside parties dealing with the Wellspring Academy Trust to have confidence in the Trust's integrity; and
- to protect the integrity and reputation of the Wellspring Academy Trust and its staff

3 Conflict of interests

- 3.1 A conflict of interests is any situation in which a trustee's personal interests (or a person connected to him/her), or interests that they owe to another body, may (or may appear to) influence or affect that individual's decision making.

4 Disclosure of interests

- 4.1 From the adoption of this policy, or upon being appointed, whichever is later, all Members, Trustees (Directors), local governors of the Trust and all senior staff will be required to make a full written disclosure of any business or personal relationships held, financial or property interests held, or gifts or hospitality received, that could potentially result in a conflict of interests. A declaration of interests form is provided and must be used for this purpose. Any question about whether a trustee or senior employee has an interest which should be disclosed should be referred in the first instance to the Chair or Clerk for determination.
- 4.2 Written disclosures will be kept on a register maintained by the Clerk. All Members, Directors and senior staff will be required to update their disclosure as and when their circumstances change. All disclosures will be reviewed on an annual basis at the beginning of each fiscal year. The register will be accessible by the all Trustees and the Wellspring Academy Trust's internal and external auditors.

5 Organisation of meetings where a trustee has disclosed an interest

- 5.1 Where a trustee has previously disclosed an interest and the Chair or Clerk is satisfied that the interest is relevant to an item on the agenda for a meeting of the Members/ Directors/ Board committee, the trustee concerned may not be sent the papers in respect of that item.

6 Management of conflicts of interests in meetings

- 6.1 This section of the policy should be read in conjunction with Articles 97-98 of the Wellspring Academy Trust's Articles of Association.
- 6.2 In the course of meetings of the Wellspring Academy Trust or its Committees, all Members, Directors and local governors and senior staff will be required to disclose any interests they have in a transaction or decision where they, their family, their employer or their close business or other associates will or may receive a benefit or gain.
- 6.3 If there is a failure to declare an interest that is known to the Chair and/or the Chair of a committee or of any such meeting/person responsible for organising such activities, and/or the Company Secretary, the Chair or the Secretary will declare that interest. After disclosure of any such interest, in the case of a meeting the individual concerned will be asked to leave the room (unless expressly invited to remain, possibly in order to provide information on the matter in hand) whilst the matter is discussed.
- 6.4 The Member/Director/local governor will not be counted in the quorum for that part of the meeting and will not be permitted to vote on the question. In the case of all other activities,

the Member/Director/local governor or staff member concerned will not be permitted to participate in the consideration or discussion of the matter other than to disclose his or her conflict of interest.

6.5 All decisions of the Trust and its committees made following the declaration of a conflict of interest will be reported in the minutes of that meeting. The report will record:

- the nature and extent of the conflict;
- an outline of the discussion;
- the actions taken to manage the conflict.

6.6 Where a trustee or senior staff member benefits from any such decision, this will (if the Wellspring Academy Trust's auditors advise this to be necessary) be reported in the annual report and accounts in accordance with relevant accounting requirements.

7 Failure to disclose a relevant interest

7.1 The decision of the Chair as to whether a trustee has failed to disclose a relevant interest shall be final. Failure to disclose a conflicting interest may lead to a Member, Director or local governor being in breach of this policy. It may also result in that individual being subject to legal action and personal liability for breach of trust and breach of statutory duty under the Companies Act 2006.

7.2 Such breaches may lead to the Trust considering the possibility of suspending or removing the Member or Director from office. Such breaches by a senior member of staff may lead to disciplinary action being taken under the Wellspring Academy Trust's staff disciplinary procedures.

8 Benefits for Trustees

8.1 It is a basic principle of charity law that charity trustees should not profit from their position, although trustees are entitled to be reimbursed for reasonable expenses properly incurred in undertaking the business of the charity. This is reflected in Article 6.5 of the Wellspring Academy Trust's Articles of Association. In addition, Article 6.3 of the Articles of Association allows the Trust to insure Members, Directors against liabilities arising from their office.

8.2 The Charities Act 2011 provides a detailed process whereby, exceptionally, charity trustees or persons connected to them may be allowed to receive payment from the funds of the charity for goods or services provided by them to the charity. This procedure is reflected in Articles 6.7-6.9 of the Wellspring Academy Trust's Articles of Association, which must be followed if a Member or Director wishes to receive such a payment for him/herself or a connected person.

8.3 Charity trustees are not allowed to receive remuneration simply for undertaking their duties as a trustee without the consent of the Charity Commission. This is only granted in exceptional circumstances²

9 Data Protection

9.1 The information provided in disclosures will be processed in accordance with the data protection principles set out in the Data Protection Act 1998. Data will be processed only to ensure that trustees act in the best interests of the Wellspring Academy Trust. The information provided will not be used for any other purpose.

² See the Charities Commission guidance on payments to Trustees:
<http://www.charitycommission.gov.uk/publications/cc11.aspx#2>

10 Review of this policy

This Policy will be reviewed by the Wellspring Academy Trust Board of Directors on a bi-annual basis or more frequently should circumstances change.

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