



Learn-AT

Learning ~ Fellowship

Related Parties Policy

LAT011 Version 1 Updated April 2019

Created by: W. Burbidge
Approved by: Finance and Audit Committee (11th April 2019)
Next Review: February 2022

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Please note that this policy supersedes and replaces any equivalent policies or sections of policies. This policy is non contractual and can therefore be amended without consultation. Before you use this policy, please check you have the latest version using the footer reference and Learn-AT Policy Index.

This policy applies to all Learn Academies Trust schools and should be read in conjunction with the latest associated guidance issued by Learn-AT.

1. Objectives Of The Policy

- 1.1. The objective of this policy is to provide a mechanism for managing related party transactions across the trust.
- 1.2. Related parties arise where one party has control or influence over the other, or where the parties are subject to common control.
- 1.3. For the purposes of this policy this includes trustees, governors and key management personnel involved in the procurement of goods, services or property. This includes, but is not limited to, trust management, head teachers, senior leadership, premises and catering managers. It will also include close family members, or other legal entities, businesses or organisations in which the above parties have a controlling interest.

2. Background

- 2.1. According to the Academies Financial Handbook, from 1 April 2019, academy trusts must declare their intention to enter into a new agreement with a related party before confirming the transaction with their supplier (or customer if the academy trust is making a sale or providing services). This reporting requirement relates to new agreements made with related parties on or after 1 April 2019.
- 2.2. Where a potential related party is providing goods or services for free and without potential gain to the donor, then this would not normally be considered a related party transaction, however attention is drawn to the Trust's Anti-Fraud & Corruption Policy which should be adhered to at all times.
- 2.3. Academy trusts must seek prior approval from ESFA (using the defined submission ESFA process and ESFA online form as required), when:
 - a single contract or agreement with a related party exceeds £20,000
 - a contract or agreement of any value means the total value of contracts or agreements with the same related party exceeds £20,000 in a financial year

3. Policy

- 3.1. Written approvals are required before any commitment is made with the potential related party
- 3.2. The trust must pay no more than 'cost' for goods or services provided to it by related parties

- 3.3. All related party transactions below £20,000 (single contract or annual value as defined above) must be approved before any commitment is made with the related party in advance by the Director of Finance & Operations and the Chief Executive Officer (i.e. 2 signatures required)
- 3.4. All related party transactions greater than £20,000 (single contract or annual value as defined above) must be approved in advance by the Trust Board
- 3.5. A list of related parties and the value of the transactions with them will be maintained by the Trust Central office in the trusts Register of Pecuniary Interests