



Declaration of Interests and Potential Conflicts of Interest Policy

Version 3

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<p>Name of Responsible Committee/Individual:</p>	<p>Audit and Risk Committee</p>
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<p>Target Audience:</p>	<p>All Members, Trustees, Governors, the Executive Team and staff</p>
<p>Reference Documents:</p> <p>All Trust policies and procedures referred to are located on the trust website, www.theeducationalliance.org.uk.</p> <p>If English is not your first language, and you require assistance/translation, please contact the HR Department.</p> <p>This procedure has been equality impact assessed.</p>	<p>Charity Commission 'Conflicts of interest: a guide for charity trustees' October 2022</p> <p>Gifts and Hospitality Policy</p> <p>Whistleblowing Policy</p> <p>National Governors' Association 'Code of Conduct' August 2023</p> <p>The Academy Trust Handbook 2023</p> <p>The Education Alliance Governance Framework</p> <p>Articles of Association of The Education Alliance</p> <p>The Education Alliance's Expectations and Code of Conduct</p> <p>The Education Alliance's Governance Code of Conduct</p>

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POLICY STATEMENT

We are here to make great schools and happier, stronger communities so that people have better lives. We do this by:

- Always doing what is right
- Trusting in each other and standing shoulder to shoulder
- Doing what we know makes the difference

Doing what is right means always acting with integrity, in the interests of others and being honest, open and transparent.

As Directors of a charitable company limited by guarantee, trustees have two sets of similar duties to avoid conflicts of interest. The first duty comes from the charity law imposed by virtue of their position as charity law trustees, and the second duty comes from company law and is imposed by virtue of their position as company law directors. Trustees, members and governors are obligated to act in the best interests of the Education Alliance (TEAL/the Trust), in accordance with TEAL's memorandum and articles of association.

Conflicts of interest can lead to decisions that are not in the best interests of the organisation and which are invalid or open to challenge. Even perceived conflicts of interest can damage TEAL's reputation, therefore it is crucial that actual, potential and perceived conflicts of interest are declared at the earliest opportunity, enabling TEAL to assess the level of conflict and to decide on an appropriate course of action. The existence of a conflict of interest does not reflect on the integrity of an individual as long as it is properly addressed. TEAL has effective systems, processes and associated documentation to ensure declarations are encouraged, recorded, assessed and any associated risks are mitigated.

This policy should be read in conjunction with TEAL's Expectations and Code of Conduct and its Governance Framework. It is written in line with the Companies Act 2006 and the Charities Act 2011, as amended. A breach may require Member consideration and serious cases may be referred to the Charity Commission.

1. SCOPE

This policy applies to Members, trustees, governors, the Executive Team and staff, particularly those involved in procurement and/or financial decision-making.

In addition to financial and procurement based conflicts of interests and related party declarations as noted in this policy, the Education and Skills Funding Agency (ESFA) requires a declaration of material interests of key management personal and close family relationships as defined in the Academy Trust Handbook and the Academies Accounts Direction. FRS 102 defines a close family member as: "Those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including: (a) that person's children and spouse or domestic partner; (b) children of that person's spouse or domestic partner; and (c) dependants of that person or that person's spouse or domestic partner".

Candidates for governance roles and employment at TEAL are required to declare a family relationship or a relationship with a key management individual on their application form. In addition, an annual declaration must also be made, and declarations will be considered by the Trust Board prior to inclusion in the annual accounts. Any in year changes regarding such relationships must also be made, and again they will be considered by the Trust Board to ensure that appropriate risk assessments are undertaken.

2. ROLES AND RESPONSIBILITIES

The **Audit and Risk Committee** is responsible for approving this policy and monitoring its effectiveness, ensuring that an appropriate framework is in place to enable and encourage declarations of any actual, potential or perceived conflicts of interest at the earliest opportunity. Members, trustees, governors and staff involved in procurement must adhere to this policy and a register of all interests will be maintained by the central administrative team. Whilst the register will be reviewed annually, declarations of interest must be made as and when they arise, and the register will be regularly reviewed.

The **CEO** is responsible for ensuring that declarations are appropriately assessed and any associated risks are mitigated accordingly.

The **HR Department, Finance Department** and the **Central Administrative Team** are responsible for ensuring that all staff, Members, Trustees, Governors, the Executive Team and staff involved in procurement and/or financial-decision-making complete a declarations form each year and that any declarations are appropriately managed and mitigated.

All Members, Trustees, Governors, staff, workers and volunteers have a responsibility to declare any actual, potential and perceived conflicts of interest as they arise. If individuals are unsure, they should err on the side of caution and declare the potential conflict. If individuals become aware of another individual's undeclared conflict of interest, they must raise the issue with their line manager, a senior leader or a member of the Executive Team in the first instance.

3. EQUALITY AND DIVERSITY

The Education Alliance is committed to:

- Promoting equality and diversity in its policies, procedures and guidelines
- Delivering high quality teaching and services that meet the diverse needs of its student population and its workforce, ensuring that no individual or group is disadvantaged

4. DEFINITION

A conflict of interest arises when an individual's ability to exercise judgement or act in the best interests of the trust could be impaired or otherwise influenced by their involvement in another role or relationship. The individual does not need to exploit their position or obtain actual benefit, financial or otherwise, for a conflict of interest to occur. A potential for competing interests and/or a perception of impaired judgement or undue influence can also be viewed as a conflict of interest. A conflict of interest exists even where there is the possibility that an individual's personal or wider interests could influence the individual's decision-making and even the perception that there is a conflict can damage TEAL. Conflicts of interest relate to an individual's personal interests and the interests of those connected to them.

Conflicts can arise from an indirect financial interest (e.g. payment to a spouse) or a non-financial interest (e.g. reputation/status). Conflicts of loyalty are a particular type of conflict of interest in which an individual's loyalty or duty to another person or organisation could prevent them from making a decision only in the best interests of the trust (e.g. where an individual is a member of another organisation or has an affiliation). Conflicts can arise from personal or professional relationships with others (e.g. where the role or interest of a family member, friend or acquaintance may influence an individual's judgement or actions or could be perceived to do so). Some conflicts of loyalty arise because an individual has a competing legal obligation or duty to another organisation or person.

Others result from conflicting loyalties which individual's owe or may feel towards family, friends or other people or organisations who are part of the individual's network.

A connected person could be a family member, relative, business partner, friend, acquaintance, or organisation the individual has an interest in through ownership, influence or affiliation.

The following list is not intended to be viewed as an exhaustive list, but purely provides some examples of potential conflicts of interest:

- Where an employee works for another organisation
- Any directorships, partnerships and employments with businesses
- Voluntary or remunerated positions, such as trusteeship, local authority positions and other public positions
- Membership of mutual support organisations, including political parties
- Trusteeships and governorships at other educational institutions and charities
- Investments in unlisted companies, partnerships and other forms of business, major shareholdings and beneficial interests
- Gifts or hospitality offered by external bodies (declined or accepted in the last 12 months)
- Where a family member or close personal relationship exists with an external body or somewhere where the individual may be in a position to award services or collaborate with

A perception of wrongdoing, impaired judgement or undue influence can be as detrimental as any of them actually occurring. If there is any doubt as to whether or not a conflict of interest exists, the individual should assume it does and declare it. A financial gain is not necessary for a conflict to exist.

TEAL is committed to ensuring the seven principles of public life developed by the Nolan Committee are applied consistently:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

Individuals must not seek or accept any preferential benefits from private companies with which they have had or may have dealings with on behalf of TEAL. Every individual has a duty to ensure they are not put in a position of risk of conflict between private interests and their trust duties.

All contractual obligations with TEAL must be completed before any other work is undertaken. If the individual believes a conflict may arise, they must contact their line manager and/or the HR Department/central administrative team immediately.

Under the Bribery Act 2010 any money, gift or consideration received by an individual from a person or company seeking a contract or decision that is of benefit to them will have been deemed to have been received under a bribe. TEAL does not require minor gifts such as pens, pencils and calendars to be declared, but any other gifts, offers of gifts and hospitality (other than meals/buffets provided by suppliers) must be declared in writing and submitted to the central administrative team. TEAL has a Gifts and Hospitality Policy which employees are required to adhere to. If an individual feels they may

have been offered a bribe or incentive to place an order or procure a service from a specific provider they must notify a member of the executive team immediately.

5. DECLARING A CONFLICT OF INTEREST

Conflicts of interest are both a pre-appointment and ongoing issue, requiring regular monitoring and review. Prospective members, trustees, governors and employees will be asked about potential conflicts of interest, and these should be declared as part of the recruitment, selection and appointment process. Where prospective members, trustees, governors or employees are likely to be subject to serious or frequent conflicts of interest, we will seriously consider whether that individual should be appointed. Each individual has a responsibility to identify and declare conflicts of interest. Declarations should be made as they arise and we will explore potential conflicts of interest as a matter of course as follows:

- Applicants for any appointment in the trust, including Member, Trustee and Governor appointments, will be asked to declare any potential conflicts of interest and acute/extensive conflicts may result in an applicant not being appointed, thus removing the conflict of interest.
- The register of interests is reviewed on an annual basis for trustees and governors, and everyone who is required to complete an annual declaration must do so each year, even if it is a nil return.
- Members, trustees, governors and others will be asked to declare any interest they have in any agenda item before it is discussed at decision-making meetings (e.g. Board and LGB meetings) and prior to any involvement in procurement processes. Even if an interest has already been declared and is detailed on the register of interests, the individual is required to declare their interest and have this declaration recorded in the minutes of the meeting.
- All relationships of a business or private nature with external contractors, or potential contractors should be made known to the Executive Team or Headteacher. In the case of the Headteacher, any financial interests or relationships of a business or private nature must be declared to the Executive Team.
- Where an individual changes role or responsibility, any change in their interests must be declared.
- Wherever an individual's circumstances change in a way that affects the individual's interests (e.g. where an individual takes on a new role outside the trust or establishes a new business or relationship) a further declaration should be made to reflect the change in circumstances. This could involve a conflict of interest ceasing to exist or a new one materialising.

Early identification of conflicts of interest is key to ensuring that individuals act only in the best interests of the trust, protecting their own and the trust's integrity.

In declaring an interest, individuals provide the trust with the opportunity to:

- Assess the conflict and associated risks
- Consider whether serious conflicts of interest should be removed or require authority
- Consider whether affected individuals should participate in any decisions where they or a connected party stand to gain, whether directly or indirectly
- Carefully manage any participation by a conflicted individual
- Demonstrate robust management of declaration of interests and conflicts of interest

6. PREVENTING A CONFLICT OF INTEREST

Members, trustees, governors and employees must make their decisions only in the best interests of the charity. This means that they must consider the issue of the conflict of interest so that any potential effect on decision making is eliminated or managed effectively. In cases of serious conflicts of interest it may mean that a decision is made to remove the conflict. For example, by:

- not pursuing a course of action
- proceeding with the issue in a different way so that a conflict of interest does not arise
- not appointing a particular member, trustee or governor, or securing a resignation

7. MANAGING A CONFLICT OF INTEREST

Once a declaration has been made, we will assess the materiality of the interest (e.g. the potential for the individual and/or the connected party to benefit from any trust decision) and the extent of the interest. We will ensure that a written record of declarations and decisions relating to conflicts of interest detail the following:

- The nature of the conflict
- Which individuals are affected
- Whether any conflicts of interest were declared in advance
- An outline of the discussion and decision
- Whether anyone withdrew from the discussion
- How TEAL took the decision in the best interests of the organisation
- Disclose any trustee benefits in the charity's accounts, alongside meeting other legal and statutory accounting declaration requirements

In managing the conflict, the individual may:

- Be excluded from meetings or parts of meetings where related issues are discussed
- Attend the meeting and be involved in the discussion, having declared an interest, but they may not be able to participate in any decision-making

Employees must not be directly involved in any staff appointment or decisions relating to discipline, pay, promotion or pay adjustments for any individual who is a relative or with whom they have a close personal relationship. Any external work that employees undertake must not bring TEAL into disrepute or conflict with TEAL's interests.

Where there is a conflict of interest and the affected individual and connected parties do not stand to gain any benefit, the affected individual must declare their interest and TEAL will then decide on their level of participation, if any, in discussions, decisions and procurement processes. In assessing the best course of action, we will:

- Make decisions only in the best interests of the trust
- Always protect the trust's reputation and be aware of the impression actions and decisions may have on other stakeholders
- Demonstrate that the decision was made in the best interests of the trust and independently of any competing interest
- Require the withdrawal of the affected individual from any decisions where the individual's other interest is relevant to a high risk or controversial decision, or could significantly affect or could be seen to significantly affect the individual's decision making

- Allow an individual to participate where the existence of their other interest poses a low risk to decision making in TEAL's interests
- Be aware that the presence of a conflicted individual can affect trust between individuals which may inhibit free discussion and might influence decision making in some way

Individuals should not use information obtained at TEAL for their own benefit or that of another person or organisation.

Where the declaration is viewed to significantly impact on the individual's ability to undertake their role as a member, trustee or governor, they may be required to resign or be removed from office.

All decisions relating to the management of a conflict of interest should be recorded in the minutes of the meeting and where the Chair is the individual with a conflict of interest, the Vice-Chair will deputise.

Acute and/or extensive conflicts of interest in relation to members, trustees and governors may result in TEAL seeking authority from the Charity Commission.

8. FAILURE TO DECLARE CONFLICTS OF INTEREST

Any failure to declare a conflict of interest will be viewed as a serious issue and there can be serious consequences for the affected individual, the trust and the public trust and confidence. Individuals who fail to identify and declare any conflicts of interest (actual, potential or perceived) will fail to comply with their responsibilities under this policy. Members, trustees and governors that fail to declare any conflicts of interest will also fail to comply with their personal legal responsibility to avoid conflicts and act only in the best interests of the trust. Where members, trustees and governors act outside the terms of TEAL's Governance Framework and/or the law their decisions may not be valid and could be challenged by the Charity Commission or by an interested party. Procurement decisions can also be viewed as invalid and open to challenge, bringing into question the integrity of the trust. Failure to declare conflicts of interest affect TEAL's ability to assess and manage conflicts appropriately.

9. MONITORING COMPLIANCE WITH AND EFFECTIVENESS OF THE POLICY

Effectiveness and compliance of this policy will be monitored on an annual basis.

10. REVIEW

This policy will be reviewed within 3 years of the date of implementation.

Declaration of Interest

I declare that I have the following interests that may be viewed as an actual/potential/perceived conflict of interest:

Name of Company, Partnership, Body, Organisation, or Person	Nature of Interest (e.g. shareholder, director, partner, advisor, employee, investor, friend)	Type of Interest (e.g. direct or indirect; financial)	Date of Appointment	Date of Resignation

I confirm I have read and I understand TEAL's Declarations and Conflict of Interests Policy and in declaring the above interest(s) I am complying with the policy.

I accept that in submitting this declaration I remain personally responsible for ensuring I do not place myself in a position or situation which may result in a potential or perceived breach of this policy.

Signed:

Name:

Date:

Guide for Assessing Potential Conflicts of Interest

Introduction

- All members, trustees, governors and staff have a legal duty to act only in the best interests of the trust and conflicts of interest can lead to decisions that are invalid or open to challenge.
- The existence of a conflict of interest does not reflect on the integrity of the affected member, trustee, governor or employee as long as it is addressed properly.
- Each member, trustee, governor, employee, worker and volunteer has an individual personal responsibility to declare conflicts of interest, which affect them, and the Board should have strong systems in place to enable the identification of conflicts of interest.
- In most cases, conflicted members, trustees, governors and staff will declare their interest at an early stage and, in most cases, withdraw from relevant meetings, discussions, decision-making and votes.
- Individual members, trustees, governors and staff who fail to identify and declare conflicts of interest will fail to comply with their personal legal responsibility to avoid conflicts of interest. A conflict of interest exists even where there is the possibility that a personal or wider interests could influence decision-making. Even the perception that there is a conflict of interest can damage the charity.
- Conflicts of interest relate to an individual’s personal interests and the interests of those connected to them.
- This process ensures individuals and the trust explicitly undertake their respective duties in declaring and understanding any potential, actual or perceived conflicts of interest.
- Connected parties include family, relatives, and business partners of a trustee as well as businesses in which a trustee has an interest through ownership or influence.

Question Areas

How do you know the individual/organisation?
How long have you known them?
In what capacity and has this changed over time?
Do you have any actual or potential conflict of interest/loyalty regards the individual or any organisation that links you with them?

Example 1: Have you worked or do you undertake any work for the individual or any organisation they are associated with?
Example 2: Is there an association between your company and the individual or any organisation they are associated with?
Example 3: Are you connected to the individual or any organisation they are associated with from a voluntary or remunerated position?
Example 4: Are you a member of a body or a mutual organisation, including a political party that has associations with the individual or any organisation they are associated with?
Example 5: Have you, your company or any connected parties invested in any organisation the individual is or has been associated with?
Example 6: Have you, your company or any connected parties received actual or offered gifts or hospitality (declined or accepted) from either the individual or any organisation they are associated with?
Example 7: Do you or any connected parties have any association with the individual or any organisation they either have or will be associated with that could create an actual or perceived conflict of interest?
Any additional comments:

Signed by Member, Trustee, Governor, Employee:

Date:

Assessment of Risk and Decision

DECLARATION
NAME, ROLE, has declared the following interest:
DATE OF DECLARATION:
DECISION MAKERS
The following committee/person considered the declaration:
CONSIDERATIONS
In assessing the declaration, associated risks and potential mitigations, the following was considered:
DECISION AND RISK CONTROLS
The following decision(s) were made:
These decisions will be monitored in the following way.
Signed:
Date:

Register of Interests

Name	Name of Company	Nature of Interest	Type of Interest	Date of Appointment	Date of Declaration

Guidance for Staff, Workers and Volunteers

Taxpayers trust that we spend public money well, free from undue influence. This guide provides people with simple and clear advice, which supports good judgement, transparency and risk management processes, thus ensuring we keep our people and our organisation safe.

We ask that our people regularly consider any interests they have, declare them and seek advice if they are unsure, erring on the side of caution. When making decisions, our people should always consider what is right for our pupils, our organisation and the communities we serve, and not be influenced by other outside or personal interests. Wherever possible, our people are advised to avoid conflicts or potential perceived conflicts of interest.

Conflicts of interest can be actual, potential and/or perceived, in that there may be an actual conflict, the possibility of a conflict or a risk that others may believe there is a conflict of interest. Actual, potential and perceived conflicts should be declared. Conflicts of interest can be financial (e.g. there may be a financial benefit to an individual), professional (e.g. professional reputation or career progression), personal (e.g. loyalty to a friend or family member), or indirect (e.g. someone close to the individual may benefit).

Declarations should be made:

- On applying for roles/positions with TEAL
- On appointment
- Where a move to a new role introduces a conflict that previously didn't exist
- Where circumstances change

Opportunities to declare an interest include application forms, interviews, induction processes, annual declaration registers, procurement processes and declarations at the start of meetings. Some people have a greater risk of conflicts (e.g. senior leaders involved in procurement decisions). If in doubt, our people are advised to contact either their line manager, headteachers or a member of the executive team.

Our people are advised to read the Gifts and Hospitality Policy alongside this guide, and to declare any actual, potential or perceived conflict of interest at the earliest opportunity, to enable us to manage the risk effectively. Conflicts may include the following (although this is not an exhaustive list):

- Additional employment
- Trustee/governor for another establishment
- Offers of gifts/hospitality which could influence, or could be perceived to influence, decisions they make
- Provision of services which TEAL may purchase
- Relationships (e.g. with a provider of services who offers their services to TEAL)

If anyone is aware of a conflict or potential or perceived conflict that has not been declared, they are encouraged to either speak to the relevant individual to encourage them to declare the interest, or contact a senior leader for advice. Alternatively, our people can also access the Whistleblowing Policy.