

Eastern Learning Alliance Conflict of Interests Policy for Members, Trustees, Governors and Senior Employees

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Document Control

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	Updated policy with trust change of name and logo	February 2021
2	Update to ensure gender neutral	September 2021

1. Introduction

This Policy sets out the framework that needs to be followed by Members, Trustees, Governors and senior employees of the Eastern Learning Alliance to avoid any potential Conflict of Interest. This framework will ensure that decisions and decision-making processes at ELA are, and are seen to be, free from personal bias and do not unfairly favour any individual or company connected to the Trust.

The Eastern Learning Alliance is committed to undertaking, and being seen to undertake, all of its activities to the highest possible standards of propriety and integrity expected of a public body. The Trust's staff, Members, Trustees and Governors must uphold the highest standards of public conduct and, at all times, act in the interests of the Trust.

All Members, Trustees and Governors are specifically expected to apply the Seven Principles of Public Life established by the Nolan Committee of Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

Conflicts of interest (whether real or perceived) cannot always be eliminated but they need to be identified so that they can be avoided or managed appropriately in accordance with this Policy.

2. Application of the Policy

This Policy applies to all Eastern Learning Alliance (ELA) Members, Trustees, Governors and senior employees and sets out the minimum requirements that must be met. On any occasions where Members, Trustees, Governors or Senior employees are concerned that a particular circumstance or event, whilst complying with this Policy, may still lead to a potential or actual Conflict of Interest (whether real or perceived), they should consult with the Clerk to the ELA Trust Board to seek further advice.

3. Conflicts of Interest

A Conflict of Interest exists where a personal interest or loyalty could, or could be seen to, prevent them making a decision which is in the best interest of the Trust.

A Conflict of Interest will occur when there is a divergence between an individual's private interests or loyalties (or those of any Connected Parties) and the interests of the Trust and its academies such that an independent observer might reasonably question whether the individual's actions or decisions are determined by considerations of personal gain, whether financial or otherwise.

Conflicts might occur due to the possibility of individuals or Connected Parties having:-

- direct or indirect financial interests;
- non-financial or personal interests;
- conflicts of loyalty where decision makers may have competing loyalties between the Trust and the other person or entity.

4. Declaration of Interests

Members, Trustees, Governors and Senior employees have a duty to make an annual Declaration of Interest in accordance with this Policy. Any changes during the course of the year must be notified in a new Declaration of Interest, within 28 days of the interest being known.

For Members the annual declaration should be completed at the Trust's Annual General Meeting. For Trustees, Governors and Senior employees the annual declaration should be made at their first meeting of the academic year.

Annual and updated Declarations should be made on the Declaration of Interests form at Appendix 1. Other declarations should be made during the course of the day to day business of the Trust, for example during Trust Board meetings and meetings of its governing bodies or as part of a procurement process. Individual Declaration of Interests will be collated to form a Register of Interests. The Register will be managed by the Clerk to the Trust Board.

The Register of Interests will be used to identify any potential, actual or perceived Conflicts of Interest in order to enable the Trust to avoid or appropriately manage them.

If a Member, Trustee, Governor or senior employee believes that there is a potential conflict of Interest which is inappropriate to be shown on the Register for personal reasons they must set out a case to the Chief Executive Officer who will decide, in conjunction with the Chairman of Trustees, whether that interest should not be included on the Register. There will be a presumption that all declarations are shared unless there are circumstances that apply which would make this inappropriate and if the redaction from the Register cannot lead to a potential Conflict of Interest occurring or would prevent it from being managed appropriately.

Members, Trustees and/or Governors should have a standard agenda item at the beginning of each meeting to declare any actual or potential Conflict of Interests. The Members, Trustees or Governors should declare any interest which they have in an item to be discussed, before the item is discussed. If a Member, Trustee or Governor is uncertain if they are conflicted then they should declare the issue and discuss it with the other Members, Trustees or Governors.

Where there is a declared Conflict of Interest the relevant Member, Trustee or Governor should withdraw from the meeting, discussion, decision making or voting that takes place concerning that Conflict of Interest or a Connected Party's interest(s).

5. Pecuniary and Non-Pecuniary Interests

There are a variety of potential interests that Members, Trustees, Governors and senior staff may have that could potentially conflict with their duty to always act in the best interests of the Trust and its Academies. Those listed below must be declared if they have such an interest or if any Connected Party has such an interest. However, there may be other potential interests or conflicts that exist not listed below which should also be declared.

5.1 Pecuniary Interest

Pecuniary (monetary/financial/business) interests include, but are not restricted to:

- a financial interest in a company or organisation if they or any nominee of theirs is the beneficial owner of more than 1% of the issued capital (e.g. shares, bonds etc.);
- employment in any business that provides goods, services or consultancy to the Trust, its Academies or subsidiary companies.

5.2 Non-Pecuniary Interests

Non-pecuniary (non-monetary/financial) interests include, but are not restricted to:-

- Members, Trustees, Governors and senior employees being the partner or related to other employees or Trustees, Trust Members or Governors;
- pursuit of a business interest/opportunity which is in potential conflict with the best interests of the Trust;
- where any Trustee, Trust Member or Governor's partner or relative would have a pecuniary interest, as set out in 5.1 above, if they were a member of staff;
- pursuit of a business interest/opportunity which is in potential conflict with the best interests of the Trust;
- a professional or legal responsibility to someone else or some other body which is in potential conflict with the best interests of the Trust or its Academies;
- having a beneficial interest in a trust which is in potential conflict with the best interests of our Trust;
- having received/or about to receive a gift, hospitality or other benefit from an organisation that has or is likely to do business with the Trust;
- membership of a society or other organisation which is in potential conflict with the best interests of the Trust; including Trusteeships and Governorships at other educational institutions or charities (irrespective of whether there is a trading relationship with the Trust, its Academies or subsidiary companies);
- holding another public office;
- close personal relationships with people or organisations that may, or do, undertake business with the Trust or its academies.
- 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 or its Academies or subsidiary companies.

All relevant pecuniary and business interests of Members, Trustees, Governors and senior employees will be published on the Trust's website as required by the ESFA.

6. Connected Parties

For the purposes of this policy a Connected Party is defined as any individual or organisation

connected to a Member, Trustee, Governor or senior employee. For these purposes the following persons are **connected**:

- a relative of the Member, Trustee, Governor or senior employee. A relative 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 may not be limited to, a child, step-child, parent, step-parent, spouse or civil partner;
- an individual or organisation carrying on business in partnership with the Member, Trustee, Governor or senior employee or a relative of them;
- a company in which a member or the relative (taken separately or together) holds more than 20% of the share capital or is entitled to exercise more than 20% of the voting power at any general meeting of that company;
- an organisation which is controlled by a Member, Trustee, Governor or senior employee (acting separately or together). For these purposes an organisation is controlled by an individual or organisation if that individual or organisation is able to secure that the affairs of the body are conducted in accordance with the individual's or organisation's wishes;
- any individual or organisation that is given the right under the Trust's articles of association to appoint a Member, Trustee or Governor; or anybody related to such an individual or organisation;
- any individual or organisation recognised by the Secretary of State as a sponsor of the academy Trust; or anybody related to such individual or organisation.

A body is **related to** another individual or organisation if it:

- is **controlled by** the individual or organisation
- **controls** the organisation; or
- **is under common control** with the individual or organisation

For these purposes **control** means:

- holding more than 20% of the share capital (or equivalent interest);
- having the equivalent right to control management decisions with regard to the body; or
- having the right to appoint or remove a majority of the board or governing body.

In the case of Connected Parties, the interests of a Connected Party are deemed also to be the interest of the Member, Trustee, Governor or senior employee. Declarations of Interest must include those of the Connected Party where the interest may cause the Member, Trustee, Governor or senior employee to have a conflict of interest.

7. Personal Relationships and Family Members

Members, Trustees, Governors and senior employees should declare if they are related to or have a partner who is a member of staff or another Member, Trustee, Governor or senior employee. In these cases they must not be involved in the recruitment, selection, appraisal, promotion or other processes involving the member of staff or where conflict of interest may

exist.

Applicants for jobs within the Trust and its Academies will be asked to declare whether they are related to, or are closely acquainted with, any members of the Trust Board, Local Governing Bodies or senior managers within the Trust or its Academies.

8. How Information will be processed

All information supplied by Members, Trustees, Governors and senior employees will be held centrally and the details collated and recorded on a Register of Interests. This will remain confidential subject to the provisions of the Data Protection Act, the Freedom of Information Act and the requirements of the EFA.

The Clerk to the ELA will be the Data Controller and will maintain the Register of Interests for all Members, Trustees and Governors. S/he will ensure that the staff specified in section 4 of this Policy receive full copies of relevant extracts of the Register as required.

The Trust will publish on its website(s) details of **RELEVANT** business and pecuniary interests of Trustees and Members. The Trust has discretion over the publication of the interests of other individuals including parent, spouse, civil partner, cohabitee and child in accordance with ESFA requirements.

As a public authority, the Trust may be subject to requests made under the Freedom of Information Act 2000 either to provide this Policy or for information from the Register of Interests. Wherever possible, the Trust will answer any such requests without revealing the names of any individual who has made a declaration unless this information is part of the extract of the Register of Interests published on the Trust's website(s). If personal details of those who have made declarations are requested that are not already in the public domain, the Trust will, where appropriate, consult with those individuals before disclosing any additional personal information that may be in the public interest to disclose in accordance with this Act.

All Members, Trustees, Governors and staff are assured that any Declaration of Interest will be processed in compliance with the data protection principles as set out in the Data Protection Act 2018. However, in accordance with the Data Protection Act 2018, personal data may be disclosed to external parties without needing specific consent during the normal course of the Trust's business activities, including where such purposes have been registered with the Information Commissioner's Office. This may be for accounting, analysis and audit purposes and also to prevent or detect crime, for example.

A person making a Declaration of Interests may at any time request a copy of their current declarations on application to the Clerk to the ELA. The data contained within Declarations of Interest forms and the Register of Interests or extracts thereof will be kept securely either in electronic or hard copy formats. Relevant extracts published on the Trust's websites will be made accessible to the general public as required by the ESFA as noted above.

9. Decision Making

Where there is a Conflict of Interest, for example a proposed transaction between a Member, Trustee, Governor or Connected Party, and the Trust, the applicable person must follow the

procedure set out in the Trust's Articles of Association for absenting themselves from the decision making process.

However, there will be a presumption against recommending any proposed transaction with a Member, Trustee, Governor or senior employee. Recommendations to enter the transaction would be made to the Trust Board by the Chief Executive in only two circumstances:-

- i) if the arrangements not to enter the transaction would contravene Public Contracts Regulations or EU Procurement law;
- ii) in the unlikely event that the goods and/or service are so unique that they cannot be secured from another source and there is no other solution that offers the same value for money.

In the event of a decision being made to award a contract to a Member, Trustee or Connected Party (please note this excludes Governors), the Trust can only enter the contract if it has been properly procured in a fair and open process and if the Member or Trustee, or Connected Party, can provide:-

- a **statement of assurance** from that individual or organisation to the Trust confirming that their charges do not exceed the cost of the goods or services; and;
- an **open book agreement** including a requirement for the supplier to demonstrate clearly, if requested, that their charges do not exceed the cost of supply.

For these purposes the cost will be the **'full cost'** of all the resources used in supplying the goods or services. The full cost includes:

- all direct costs (the costs of any materials and labour used directly in producing the goods or services); and
- indirect costs (comprising a proportionate and reasonable share of fixed and variable overheads).

Full cost must not include an element of profit.

In the event of the above requirements being met in full, before a decision to enter a transaction with a Member, Trustee, Governor or Connected Party is made the Trust Board must consider whether the transaction could be seen to be 'Novel or Contentious'. If so it must be referred to the ESFA for its explicit prior approval.

10. Failure to Follow this Policy

Members, Trustees, Governors and senior employees who do not follow this policy may be in breach of their duties and may be subject to internal action within the Trust, including being removed from their post. In certain circumstances Members, Trustees, Governors and senior employees may also be subject to external sanction, including being barred from undertaking the role of a company director or Trustee and in exceptional cases being subject to criminal prosecution.

The Education Skills and Funding Agency may also issue a Financial Notice to Improve (FNtI) to the Trust when there is deemed to be irregular use of public funds or inadequate financial

governance and management (including breaches of the duties, principles and requirements governing connected party relationships and transactions). Failure to comply with an FNtl can, in exceptional circumstances, also result in the termination of the funding agreements.

If Members, Trustees, Governors and senior staff believe any of their number are undertaking activity that leads to personal gain they should report their concerns under the Trust's Whistle Blowing Procedure.

APPENDIX 1: Declaration of Interests of Members, Trustees, Governors and Senior Employees

Name:

Position:

I confirm that I have read and understood the Conflicts of Interests Policy for Members, Trustees, Governors and senior employees

I set out below, under the appropriate headings, my interests which are required to be declared under the Conflicts of Interests Policy.

I have stated 'none' where I have no such interests under a heading. A zero return is required.

A. Pecuniary Interests

Name of Business	Nature of Business	Nature of Interest	Date interest Began	Perceived Relevance

B. Pecuniary Interests of Connected Parties

Name of Connected Party	Name of Business	Nature of Business	Nature of Interest	Date Interest Began	Perceived Relevance

C. Non-Pecuniary Interests

Interest	Nature of Interest	Date interest Began	Perceived Relevance

D. Non-Pecuniary Interests of Connected Parties

Name of Connected Party	Interest	Nature of Interest	Date Interest Began	Perceived Relevance

To the best of my knowledge, the above information is correct. I give my consent for it to be used for the purposes described in the Conflicts of Interests Policy, but for no other purpose.

Name:

Date:

Signed:

Date: