



# GREENWOOD ACADEMIES TRUST

## **Conflicts of Interest Policy for Staff**

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## 1. Policy Statement

This Policy sets out the detailed process that needs to be followed by staff to avoid any potential Conflict of Interest. External legislation and internal policies have been considered when drafting this policy, for instance the Trust's Whistle Blowing Procedure and the Avoidance of Gain Policy.

The Trust is committed to undertaking, all of its activities to the highest possible standards of propriety and integrity expected of a public body. The Trust, its staff, Members, Trustees and Academy Advisory Council members will act equitably, honestly and with integrity in all aspects of what they do. The Trust's staff, Members, Trustees and Academy Advisory Council members must uphold the highest standards of public conduct and, at all times, act in the interests of the Trust.

Staff should not seek to gain financially or otherwise from their employment by the Trust over and above what they are entitled to through their contract of employment.

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

## 2. Application of the Policy

This policy applies to all GAT staff and sets out the **minimum requirements that must be met**. On any occasion where staff are concerned that a particular circumstance or event, whilst complying with this Policy, may still lead to a potential or actual conflict of interest they should consult with their manager to seek further advice. The manager may wish in turn to seek further advice as necessary from their line manager or the Chief Executive or Deputy Chief Executive.

## 3. Conflicts of Interest

Through their contract of employment, staff owe a duty of faithfulness to the Trust which requires the employee not to act against the interests of the employer. This is known as a Duty of Fidelity.

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. This Policy should therefore be read in conjunction with the Trust's Avoidance of Gain Policy.

A Conflict of Interest is a set of circumstances that creates a risk that an individual's ability to discharge their fiduciary duty to the Trust is compromised because their judgement could be impaired or influenced by a secondary interest.

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.

Examples of a possible conflict of interest include, but are not limited to:

- giving or receiving gifts and hospitality;

- accepting services or goods for personal use from people or companies who do business with the Trust;
- procuring or purchasing services, goods or consultancy from family, friends or connected businesses;
- appointing family, or friends as employees;
- seeking to use one's position in the Trust to promote personal views or beliefs which are in conflict with the aims, objectives and ethos of the Trust or in conflict with legal requirements.

#### **4. Declaration of Interests**

This Policy sets out the requirements which staff must comply with in respect to making an appropriate Declaration of Interests where those interests could potentially conflict with the interests of the Trust or its academies. Employees have a duty to make written Declaration of Interests in accordance with this Policy and at the same time to notify their line managers of their interests.

All senior staff of the Trust and those likely to be most involved with purchasing and procurement activities (defined in Appendix 1 attached) are required to make an annual Declaration of Interests. The annual Declaration of Interests should be made by 30 September each year, but also any changes during the course of the year must be notified in a new Declaration of Interests within twenty eight (28) days of the interest being known.

Annual and updated declarations should be made on the online Declaration of Interests form, which will be provided by the Chief Financial Officer.

If staff declare an interest they must specify the date when the interest was acquired. In most cases the date will be clear but in some cases less so. Advice may need to be sought from the Deputy Chief Executive or Chief Financial Officer. A key issue in determining the date will be consideration of when the interest potentially became in conflict with the Trust's interests. The Deputy Chief Executive and Chief Financial Officer are jointly responsible for determining whether a declaration made is consistent with the intent of this policy as requiring inclusion on the Register of Interests.

Individual Declarations of Interests will be collated to form a Register of Interests. The Register will be managed by the Deputy Chief Executive with a copy available to the Chief Executive, Strategic Directors of Academies, Chief Financial Officer, Operations Director, Chief People and Organisational Development Officer, Corporate Affairs Director, the Trust's Audit Team and all Academy Finance Managers.

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. For example, it will be used to ensure that the Trust's procurement and trading activity is fair to all parties involved and to help the Trust ensure that the highest standards of propriety and conduct are met, especially in respect of Connected Party transactions.

Where members of staff become aware of potential or actual Conflicts of Interests during the procurement process or the processing of invoices for payment, they must report this to the Operations Director, Chief Financial Officer or Deputy Chief Executive so that any such conflicts can be avoided or managed appropriately. More detailed procedural guidance will be made available to relevant staff regarding these areas.

## Additional Declarations from Academy Principals

Due to the significance of their role in the Academy and Trust, Academy Principals, Central Team Directors, Deputy Chief Executive and Chief Executive are required to make additional declarations on their declarations of interest form. This is to disclose any close personal relationships or family members who are connected to the Trust (for example through employment with the Trust or attendance as a pupil). This information will be provided to the Chief People and Organisational Development Officer and the Strategic Directors of Academies to provide an awareness of such relationships and to ensure they can be appropriately managed.

### **5. Pecuniary and Non-Pecuniary Interests**

There are a variety of potential interests that staff may have that could potentially conflict with their fiduciary duty to the Trust. Those listed below must be declared by staff 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 where the member of staff should declare the interest.

#### **5.1 Pecuniary Interest**

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

- a financial interest in a company or organisation if he/she or any nominee of his/hers is the beneficial owner of more than 1% of the issued capital (e.g. shares, bonds etc.);
- other business or commercial interests that could conflict with the duty owed to the Trust to act in its best interests, including Directorships and Partnerships;
- 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:

- 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
- having a beneficial interest in a trust which is in potential conflict with the best interests of the Trust;
- having received/or be 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, its academies or subsidiary companies.

#### **Connected Parties**

For the purposes of this policy, a Connected Party is defined as:-

- a relative of the member of staff. 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 of staff or a relative of the member or trustee;
- a company in which the member of staff or the relative of member of staff (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 the member of staff or the relative of a member of staff (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.

In the case of Connected Parties, the interests of a Connected Party are deemed also to be the interest of the member of staff. Declarations of Interest must include those of the Connected Party where the interest may cause the member of staff to have a Conflict of Interest.

## **6. Purchase or Supply of Goods or Services**

Staff may be required in the course of carrying out their duties to make judgements upon, or recommendations concerning, the purchase or supply by other organisations or individuals of goods or services to the Trust

The regulations for the award of contracts are stipulated in the Financial Regulations of the Trust. All staff should ensure that they are not involved in any respect in a procurement process where a potential conflict of interest could arise.

However, in summary, in carrying out their responsibilities, staff may on occasions be in a position where a Conflict of Interest arises, or may be perceived as arising, for example:

- a) the supplier is a personal friend;
- b) the supplier is related to the member of staff;
- c) the member of staff has a financial interest in the supplying organisation;
- d) the supplier is known to the member of staff through membership of any organisation perceived as promoting mutual support;
- e) the member of staff may be perceived as having been offered present or future benefit or position.

If it comes to the knowledge of any member of staff that a contract or transaction in which they have financial interest, whether direct or indirect, has been, or is proposed to be entered into by the Trust, in addition to making a Declaration of Interest on the Declaration of Interests form they are asked immediately to give notice in writing to the Central Procurement Team and their line manager of the fact that they have such an interest. The Central Team Procurement Manager will ensure that, following any Declaration of Interests, the member of staff concerned is not involved in the procurement process unless such involvement is unavoidable.

By making a declaration in good faith, the member of staff will be seen to be behaving properly in the process of the disbursement of Trust funds, and will gain protection from allegations that they are not acting wholly in the interests of the Trust.

It is clear that precise guidance cannot be set down which covers all cases, but in case of any doubt, all staff should seek guidance from the Chief Financial Officer or the Operations

Director.

In a large organisation, from time to time, there will be occasions where after following all agreed procurement procedures and after managing any potential Conflicts of Interest, as required in this policy, a contract can be appropriately awarded where a member of staff has declared either a pecuniary or non-pecuniary interest.

However, the Trust is determined to ensure that the overriding principle of being seen by the public to uphold the highest standards of integrity and propriety. Therefore even if all appropriate procedures allow the award of a contract where a Conflict of Interest has been declared for certain staff the Chief Executive has to authorise the transaction and report this transaction to the next Audit Committee. Where the following members of staff have declared a Conflict of Interest for them, or a Connected Party, the Chief Executive must authorise prior to the Trust entering the transaction:

- Any member of the Trust Executive Leadership Team
- People Director
- Education Directors
- Executive Principals
- Academy Principals and Heads of School

In the case of any transaction relating to the Chief Executive the approval of the Chair of the Trust Board is required.

There will be a presumption against approving the transaction and only where a clear case can be evidenced that the transaction would gain broad public support if it were made public, or Public or EU Procurement regulations would be breached if the transaction was not approved, will it be recommended for approval.

## **7. How Information will be Processed**

All information supplied by staff 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 General Data Protection Regulation (GDPR), the Freedom of Information Act and the requirements of the ESFA.

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. If personal details of those who have made declarations are requested, the Trust will consult those individuals before disclosing any information.

All staff are assured that any Declaration of Interest will be processed in compliance with the data protection principles as set out in the General Data Protection Regulation (GDPR) (EU) 2016/679. The data will be processed to identify any potential, actual or perceived Conflicts of Interest in order to enable the Trust to avoid or appropriately manage them and to help protect the Trust's interests and also to protect the individuals concerned against allegations of acting in their own interests, rather than those of the Trust. In general terms, if in any doubt, all staff are advised to declare an interest or potential interest for their protection.

The data declared will primarily be used for the purposes outlined above and to ensure that the Trust's procurement and trading activity is fair to all parties involved and to help the Trust ensure that the highest standards of propriety and conduct are met, especially in respect of Connected Party transactions.

However, staff should be aware that, in accordance with the General Data Protection Regulation (GDPR) (EU) 2016/679, 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 Interest may at any time request a copy of their current declarations on application to the Deputy Chief Executive. The data contained within the Declaration of Interests forms and the Register of Interests will be kept securely either in electronic or hard copy formats.

## **8. Failure to Follow this Policy**

It is a disciplinary offence for staff to engage in conduct or behaviour that does not comply with this policy or for anyone in a managerial or supervisory capacity to fail to take action in respect of any such conduct or behaviour. This will be dealt with under the disciplinary procedure and could lead to dismissal without notice.

Significant breaches in the application of this policy could potentially lead to criminal prosecution.

The Education and Skills 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 FNtI can, in exceptional circumstances, also result in the termination of our funding agreement(s).

If staff have evidence that other staff, Members, Trustees or Advisory Council members are undertaking activities that lead to personal gain they should report their concerns to their line manager or the appropriate point of contact as set out in the Trust's Whistle Blowing Procedure.



**GAT staff required to make annual Declarations of Interest**

The following post holders must make an annual Declaration of Interest.

In addition to this any member of staff who believes they have an interest that may be a potential conflict to their fiduciary responsibilities to the Trust or its Academies should also make the required declaration.

**Post holders where an annual Declaration of Interest is required**

**Central Team Staff**

All staff on the Trust Executive Leadership Team

Education Directors

People Director

All Finance staff

All Procurement staff

All Audit Team staff

Estates Manager, Regional Premises Managers, Premises Leaders, Premises Officers (Primary)

All Catering Team

**Academy Staff**

Executive Principal

Principal / Head of School

Deputy Principal

Staff with 'approval rights' in the online purchasing system (requisition/purchase order approval)

Catering Staff with purchasing responsibilities