



TEFAT conflicts of interest policy - 2014

Why we have a Policy

Trustees of a charity have a legal obligation to act in the best interests of the charity. For the purposes of charity law, the trustees are those people who are responsible for the general control and management of the administration of the charity. The Elliot Foundation Academies Trust (the "Company") is an "exempt" charity, the Principal Regulator being the Secretary of State for Education. The trustees of the Company are the directors and the charity's governing document, the Articles of Association, explains what the directors must do to avoid situations where there may be a potential conflict of interest.

Conflicts of interests may arise where an individual's personal or family interests and/or loyalties conflict with those of the Company. Such conflicts may create problems; they can:

- inhibit free discussion;
- result in decisions or actions that are not in the interests of the Company; and
- risk the impression that the Company has acted improperly.

The aim of this policy is to protect both the organisation and the individuals involved from any appearance of impropriety.

This Policy operates without prejudice to any of the provisions in the Company's Articles of Association relating to conflicts of interest.

The Declaration of Interests

We are asking directors, governors of any local governing body of any academy and all staff to declare their interests, and any gifts or hospitality received in connection with their role in the Company. A declaration of interests form is provided for this purpose, listing the types of interest you should declare. All interests, including gifts of a value over £50, must be notified to the Company Secretary and a Register of Interests will be maintained by the Company.

To be effective, the declaration of interests needs to be updated at least annually and also when any changes occur.

If you are not sure what to declare, or whether/when your declaration needs to be updated, please err on the side of caution. If you would like to discuss this issue, please contact the Company Secretary or Chairman for confidential guidance.

Data Protection

The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 1998. Data will be processed only to



ensure that directors, governors and all staff act in the best interests of the Company. The information provided will not be used for any other purpose.

What to do if you face a Conflict of Interest

If you have a direct or indirect interest in:

- a) a proposed transaction with the Company; or
- b) any transaction or arrangement entered into by the Company which has not previously been disclosed;

you must disclose the nature and extent of that interest, whether or not you receive any actual benefit as a consequence of the interest. You may have an indirect interest in a matter if a family member or friend has an interest in the matter.

As good practice every director and governor should declare any private interest which he or she has in an item to be discussed at the beginning of every meeting, and certainly before any discussion of the item itself.

You should not be involved in decisions in which it is possible that a conflict will arise. You should declare your interest at the earliest opportunity and withdraw from any subsequent discussion.

If you fail to declare an interest that is known to the Company Secretary and/or the Chairman [or the chair of the local governing body], the Company Secretary or Chairman will declare that interest.

Decisions taken where a Director, Governor or Staff Member has an Interest

In the event of the board having to decide upon a question in which a director, governor or member of staff has an interest because of a duty or loyalty (however indirect) that they owe to another organisation, they will do so by vote, with a simple majority required. The conflicted individual may be present when the matter is discussed but must not take part in the discussion or vote on any matter relating to the discussion and a quorum must otherwise be present for the discussion and decision.

An individual will generally not have a conflict of interest or loyalty simply by virtue of the fact that he or she has been appointed or nominated to the board of directors or to the local governing body by a third party and the Company has dealings with that third party, but if any undue influence is exerted by that third party or the individual has an interest in the matter for a reason other than mere appointment or nomination, then the circumstances will need to be reconsidered.

All decisions made where there has been a declared conflict of interest will be recorded by the Company Secretary and reported in the minutes of the meeting. The report will record:

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



Where a director benefits from the decision, this will be reported in the annual report and accounts in accordance with the current Charities SORP making reference also to any potential conflict situation recognised in this Conflicts of Interest policy.

All payments or benefits in kind to directors will be reported in the Company's accounts and annual report, with amounts for each director listed for the year in question.

Where a member of the Company's staff are connected to a party involved in the supply of a service or product to the Company, this information will also be fully disclosed in the annual report and accounts again making reference also to any potential conflict situation recognised in this Conflicts of Interest policy. Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

Any decision on a contract to be entered into by a local governing body where a governor or staff member will benefit must be referred to the Board of Trustees/Directors.

Managing Contracts

If you have a conflict of interest, you must not be involved in managing or monitoring a contract or transaction in which you have an interest. Monitoring arrangements for such contracts will include provisions for an independent challenge of bills and invoices, and termination of the contract if the relationship is unsatisfactory.

Notified Conflicts of Interest

Without prejudice to any of the obligations on individuals as expressed in this Policy, the directors have identified the following as matters where relevant individuals will have an interest in the matter and such interest has not been expressly authorised in the Articles of Association but is considered to be a matter which is in the best interest of the Company and is authorised provided the principles of this policy are observed (particularly in relation to discussions, decisions and management of the matter where there is a genuine conflict):

The provision of resources and strategic support provided to and received from The Elliot Foundation, the founder and sponsor of the Company.

The appointment or nomination of individuals by The Elliot Foundation to serve on the board of directors and any locally established governing or management body responsible for one or more of the Academies.

29.10.2014