

Perryfields Enterprise Academy Trust

Conflicts of Interest Policy



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CONFLICTS OF INTEREST POLICY

This policy applies to directors, members, local governors and staff.

1. Why have a policy?

Board Members have an obligation to act in the best interests of Perryfields Enterprise Academy Trust, and in accordance with PEAT's governing document. Staff and volunteers have similar obligations. Conflicts of interests may arise where an individual's personal or family interests and/or loyalties conflict with those of PEAT.

Such conflicts may create problems; they can:

- Inhibit free discussion;
- Result in decisions or actions that are not in the interests of PEAT; and
- Risk the impression that PEAT has acted improperly.

The aim of this policy is to protect both the organisation and the individuals involved from any appearance of impropriety and safeguard against fraud, theft and other illegal activities.

2. The declaration of interests

Accordingly, we are asking directors, members, local governors and staff to declare their interests, and any gifts or hospitality received in connection with their role in PEAT. A declaration of interests form is provided for this purpose, listing the types of interest you should declare.

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 governing body clerk or School Business Manager for confidential guidance. Interests will be recorded on the relevant register of interests, which will be maintained by the School Business Manager.

3. 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, members, local governors and staff act in the best interests of PEAT. The information provided will not be used for any other purpose.

4. What to do if you face a conflict of interest

If you are a user of PEAT's services, or the carer of someone who uses PEAT's services, you should not be involved in decisions that directly affect the service that you, or the person you care for, receive(s). You should declare your interest at the earliest opportunity and withdraw from any subsequent discussion. The same applies if you face a conflict for any other reason. You may, however, participate

in discussions from which you may indirectly benefit, for example where the benefits are universal to all users, or where your benefit is minimal.

If you fail to declare an interest that is known to the clerk and/or the chair of directors, the clerk or chair will declare that interest.

5. Decisions taken where a board member or member of staff has an interest

In the event of the board having to decide upon a question in which a Board Member or member of staff has an interest, all decisions will be made by vote, with a simple majority required. A quorum must be present for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate.

Interested board members may not vote on matters affecting their own interests. They may participate in the discussion but not the decision-making process.

All decisions under a conflict of interest will be recorded by the clerk to directors 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.

A *de minimis* exemption applies to contracts less than £100 in value. Random checks against the register of interest will be made on the award of contracts below this value. If the cumulative value of a series of small contracts exceeds £100, the director will operate the policy used for individual contracts over that sum.

The *de minimis* exemption does not apply to contracts of employment with PEAT.

Independent external moderation will be used where conflicts cannot be resolved through the usual procedures.

6. Directors, members, local governors and staff managing contracts

If you have a conflict of interest, you must not be involved in managing or monitoring a contract 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.

7. Employment of relatives or close friends

Closely related for the purpose of this policy refers to people who are close friends or relatives.

Close friends refers to friends who an employee knows personally and meets socially.

Relatives for the purposes of this policy refer to people who are related by blood, marriage or civil partnership, or who co-habit, or dependents of such people.

It is acknowledged that on occasions people may work for the Trust who are closely related to other employees. The intention of this policy is to minimise the likelihood of any awkwardness, accusations of favouritism, or any other potential difficulties by effective management of situations where closely related employees work together in the same team or department, or have a working relationship as colleagues across the Trust.

It is not being suggested that individual employees would allow themselves to be influenced by personal relationships, however, it is sound operational policy to avoid circumstances in which such practice might be alleged or inferred.

Any employees who consider that they are closely related within the meaning described above must ensure that the Headteacher is aware of their personal situation.

Should a relationship change or develop between two existing employees, or should a relationship be brought to the attention of the Headteacher, consultation must take place with the individuals concerned and arrangements put in place so as to comply with this policy.

Employment of closely related employees within the same location or team

Those who are closely related should be advised of the potential problems of them working together and encouraged not to do so. The potential problems could include:

- Embarrassment or awkwardness for co-workers
- Concerns about lack of objectivity in the event of disagreements within the workplace or in relation to any incidents or investigations

However, where employees are unable or unwilling to move, then management should consider any potential interpersonal or operating problems and minimise these by whatever action they may consider to be reasonable and appropriate. This could include measures such as:

- Ensuring that the people concerned do not work in the same office
- Ensuring that other employees in the workplace are confident that they can raise issues where they have concerns that the relationship in question is having a detrimental effect on the working environment, or on operational issues.

Where there are serious concerns about the effect a relationship is having, either on one or both of the employees performance, or on others within the team, consultation will take place with the staff involved which may result in one or both of the staff members being redeployed, where practically possible.

Closely related employees and line management issues

Steps should be taken to ensure, as far as practically possible, that those who are closely related do not work in positions where one has either direct or indirect management authority for the other.

This would also include ensuring that situations do not arise whereby a manager is involved in the decision making process related to incremental increases, annual reviews or internal promotions of any employee that they are closely related to.

Rarely, circumstances may arise which result in a closely related person having line management responsibility for another through, for example:

- A relationship developing between two existing employees
- Organisational change

In such cases, the employee should be consulted with and steps should be taken to move one or other of the employees to a suitable alternative position as soon as one becomes available.

In the interim appropriate measures should be taken to protect both parties and the Trust, for example ensuring that signing overtime and expense claims, incremental increases, annual reviews and internal promotion would be completed by another appropriate manager.

If it is not possible for the individual to be line managed by another member of staff, the Chair of the Audit, Finance, Personnel & Risk Committee will be involved in the decision making processes relating to issues such as described above.

Recruitment

If an employee of the Trust is aware that a closely related person of theirs is applying to work for the Trust, it is their responsibility to inform them of the principles of this policy and to ensure that the Headteacher is made aware of the likely application.

Anyone who is involved in a selection process (shortlisting or interviewing) and is aware that a closely related person, or indeed any other person that they know personally, has applied, they should declare this to the other members of the shortlisting/interviewing panel at the earliest opportunity.

Ideally they should then be withdrawn from the selection process and replaced by a suitable colleague. If this is not possible, then the Chair of the Audit, Finance, Personnel & Risk Committee should be involved in the selection procedure so that they can monitor the process and the decisions that are made and ensure that matters are conducted fairly and equitably. This would protect the manager concerned, the candidate and the Trust from any allegations that personal relationships influenced the end result.

If any employee has further concerns regarding the employment of relatives or close friends, they should initially raise this with the Headteacher.