

BRITANNIA EDUCATION TRUST
CONFLICT OF INTEREST POLICY
Approved by Board of Trustees: December 2020
Reviewed: March 2024
Chair of Trustees: Rebecca Burton
Due for review: March 2027

Rationale

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 Britannia Education Trust (the “Trust”) is an “exempt” charity, the Principal Regulator being the Secretary of State for Education. The trustees of the Trust are the directors. The charity's governing document, the Articles of Association, explains the actions that trustees should take 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 Trust. Such conflicts may create problems; they can:

- inhibit free discussion;
- result in decisions or actions that are not in the interests of the Trust; and
- risk the impression that the Trust 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 Trust’s Articles of Association relating to conflicts of interest.

The Declaration of Interests

Members, trustees and staff employees should declare their interests, and any gifts or hospitality received in connection with their role in the Trust. A Declaration of Interests Form is provided for this purpose, listing the types of interest that should be declared. All interests, including gifts of a value over £50, must be notified to the Chief Financial Officer and a Register of Interests will be maintained by the Trust.

To be effective, the Register of Interests needs to be updated annually and also when any changes occur.

If a member, trustee or staff employee is unsure what to declare, or whether their declaration needs to be updated, they should err on the side of caution. If they wish to discuss this issue, they should contact the Chief Financial Officer 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 members, trustees and staff employees act in the best interests of the Trust. The information provided will not be used for any other purpose.

Action to take if faced with a Conflict of Interest

If a member, trustee or staff employee has a direct or indirect interest in:

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

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

As good practice, every member, trustee and staff employee 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.

Members, trustees and staff employees should not be involved in decisions in which it is possible that a conflict will arise. They should declare their interest at the earliest opportunity and withdraw from any subsequent discussion.

If a member, trustee or staff employee fails to declare an interest that is known to the Chief Financial Officer, the Clerk or the Chair, the Chief Financial Officer, Clerk or Chair should declare that interest.

Decisions taken where a Member, Trustee or Staff Employee has an Interest

In the event of the board having to decide upon a question in which a member, trustee or staff employee 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 trustees or to the board of members by a third party and the Trust has dealings with that third party. However, 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 Clerk 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 member, trustee or staff employee 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 members and trustees will be reported in the Trust's accounts and annual report, with amounts for each member and trustee listed for the year in question.

Where a staff employee is connected to a party involved in the supply of a service or product to the Trust, 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.

In advance of any transaction taking place the Chief Financial Officer will be informed and make a Related Party Transaction declaration to the ESFA. If the value of the transaction is in excess of the current ESFA approval limits then prior approval from the ESFA will need to be obtained before any agreement or transaction is entered into with the connected party. Any supporting information required for the declaration to the ESFA will need to be submitted to the Chief Financial Officer.

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

Managing Contracts

If a member, trustee or staff employee has a conflict of interest, they must not be involved in managing or monitoring a contract or transaction in which they 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.

Links to other policies:

Financial Regulations