



Kemnal
Technology
College



CONFLICT OF INTEREST AND RELATED PARTIES POLICY

This Policy was reviewed:

August 2023

The Policy will next be reviewed by TKAT &
Kemnal Technology College by:

August 2024



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PURPOSE OF POLICY

This policy sets out expectations of The Kemnal Academies Trust (TKAT) and the due regard to managing its conflicts of interest and transactions with related parties.

It applies to Members, Trustees, Senior Executives, Directors of Education, HQ finance staff, Academy senior leadership teams and finance staff and Local Governing Bodies.

This policy has been created in line with the Education and Skills Funding Agency's (ESFA) Academy Trust Handbook.

STATEMENT OF INTENT

The Trust diligently manages any conflicts of interests and reports eligible transactions appropriately and within a timely manner to ensure that ESFA expectations are followed and adhered to. The Trust commits wholly to retaining its high levels of internal scrutiny within this area.

Financial Reporting Standards (FRS) 102 requires all transactions with related parties to be disclosed in the accounts so that users can gain a full understanding of them and of issues that might have influenced them. Disclosure provides accountability and transparency to the public and demonstrates that potential conflicts of interest are being identified and reported.

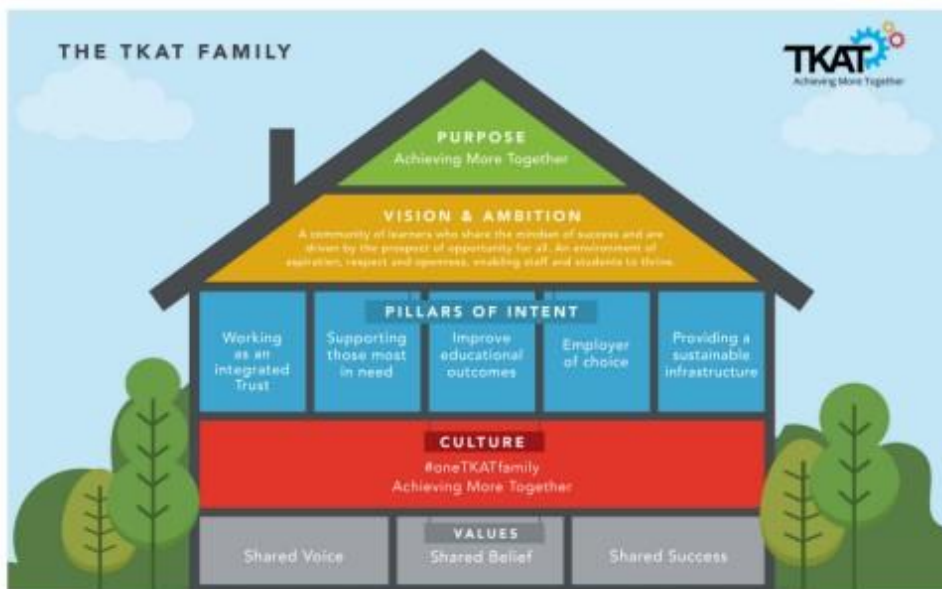


VISION AND VALUES

The Kemnal Academies Trust (TKAT) aims to foster a culture of the highest professional standards in line with the Trust's purpose, vision and values.

TKAT - OUR STRATEGY

Our Culture	Our Mission	Our Values
#oneTKATfamily Achieving More Together	TKAT is a Multi-Academy Trust of 45 primary, secondary and special schools in the South and East of England. Our purpose is to work together as a community of schools to ensure that every child, whatever their background, receives a high quality education.	Shared Voice Shared Belief Shared Success



DEFINITIONS

Conflict of interest: Arising when an individual's personal interest, be it family, friendships, financial and/or social factors, could compromise his or her judgement, decisions or actions in the workplace.

Related Parties: Under FRS 102, related parties include:

1. parties with control over, or controlled by, TKAT (the entity), e.g. parent and subsidiary companies.
2. parties having significant influence over the entity, such as members.
3. key management personnel of the entity, including any director, whether executive or otherwise.
4. close family members of any of the above.



5. others subject to control or significant influence by any individual referred to above.

SCOPE OF POLICY

Each September, Clerks to Governors will be sent a copy of the TKAT 'Declarations of Interest' Google Form for completion by academy Governors, Senior Leadership Team and Finance staff.

The declarations of interest should be completed fully and submitted promptly to the TKAT Lead Clerk for Governance for inclusion in the consolidated TKAT Register of Interests.

The google form automatically populates a Trust register and individual Academy registers. Academy Business Managers are required to monitor the Register of Interests for their own academy which will capture relevant business and pecuniary interests submitted via the google forms. The register should include the following:

1. directorships, partnerships and employment with businesses.
2. trusteeships and governorships at other educational institutions and charities.
3. for each interest: the name of the business; the nature of the business; the nature of the interest; and the date the interest began.

The register must identify any relevant material interests from close family relationships between the academy trust's members, trustees or local governors. It must also identify relevant material interests arising from **close** family relationships between those individuals and employees.

A close family relation 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 is not limited to, a child, parent, spouse or civil partner.

Despite not being in a position of influence or one of the persons specifically mentioned above as applicable to this policy, for full transparency, all members of staff should notify the academy Business Manager and complete a 'Declarations of Interest' Google Form if a relevant business interest between them and a third party arises.

Academies should exercise care, skill and diligence to avoid conflicts of interest, both actual and perceived, can have adverse effects on both the respective academy and whole trust.

TRANSACTIONS WITH A RELATED PARTY

As per requirements laid out in the ESFA Academy Trust Handbook, the Trusts is required to report all transactions with related parties to the ESFA in advance of the contract and/or agreement commencing.



The Trust has created appropriate internal controls and systems to ensure that it reports appropriate information to the ESFA as timely as possible. These controls are communicated via the TKAT 'Related Party Transactions' handbook and should be embedded within the Trust's day to day culture.

Ahead of any related party transaction occurring, academies are required to complete the appropriate [Google Form](#) for submission to the TKAT Head of Finance to formally report the transaction to the ESFA.

As part of formal reporting requirements, trusts are also required to seek ESFA approval for the following types of transactions ahead of the transaction taking place:

1. All novel, contentious and/or repercussive contracts or agreements, regardless of value and regardless of whether it is linked to a related party
2. for contracts for the supply of goods or services to the trust by a related party where a contract or other agreement exceeding £40,000

Academies must keep sufficient records to show that transactions with all related parties have been conducted in accordance with the high standards of accountability and transparency required within the public sector and to ensure that all internal TKAT expected controls have been fully met.

For the purposes of reporting to, and approval by ESFA, contracts and agreements with related parties do not include salaries and other payments made by the trust to a person under a contract of employment through the Trust's payroll.

The Trust acknowledges the 'at cost requirements' per the ESFA's Academy Trust Handbook and the expectations required should an interest be declared by one of its Members and/or Trustees, or other parties connected to either a Member and/or Trustee.

Any potential related party transactions with any of these individuals linked with the Trust and resulting in a cumulative annual total beyond £2,500, the element above £2,500 will be at no more than cost.

REPORTING OBLIGATIONS

Several reporting obligations exist within the scope of this policy and are outlined below:

1. Applicable individuals, per the 'purpose of policy' section of this document, must either complete directly, or inform their respective Governor Clerk of all relevant information pertaining to any declarations of interest. This is notified via a google form that collates an overall Trust register and individual academy registers.
2. Academies must publish on their websites all relevant business and pecuniary interests for all governors on an annual basis.
3. Academies must check the Register of Interests and ensure that it is appropriately kept up to date with relevant information as and when changes may arise.



4. Complete the appropriate TKAT Google Form when wanting to request permission to transact with a related party. Any further information requested by the Trust's Head of Finance should be shared as soon as is reasonably possible to ensure that formal reporting to the ESFA can take place in a timely manner.

All aspects of any possible conflicts of interest and/or related party transactions will be heavily scrutinised, by both internal and external stakeholders. All persons associated with the Trust should promote the highest levels of transparency, integrity and accountability when considering this area.

As this is a complex area, if there is any doubt about whether something should be declared or constitutes a conflict of interest, advice should be sought from Nick Clark (nick.clark@tkat.org) in the first instance.

OTHER TKAT DOCUMENTS TO BE USED IN CONJUNCTION WITH THIS POLICY

This policy should be considered and used in conjunction with the following other TKAT policies and/or handbooks:

1. TKAT Anti-Fraud Policy
2. TKAT Procurement Policy
3. TKAT Financial Controls and Procedures Handbook
4. TKAT Whistleblowing Policy
5. TKAT Internal Controls and Procedures Handbook
6. TKAT Related Party Transactions Handbook