

Conflicts of Interest Policy and Register of Business and Pecuniary Interests Guidance

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I Legal framework

1.1 This policy takes its legal framework from the following legislation and statutory guidance:

- Companies Act 2006
- Conflicts of Interest: A Guide for Charity Trustees (Charity Commission).

1.2 This policy should be read in conjunction with the following other documents:

- Articles of Association of Transformational Technologies Limited (TTPL)
- TTPL Board's Terms of Reference and Scheme of Delegation
- Directors' Code of Conduct of TTPL.

1.3 This document consists of:

- Conflicts of Interest Policy
- Template for Annual Conflicts of Interest Acknowledgement Statement (Annex 1)
- Template for Register of Business and Pecuniary Interests Form for completion by each Relevant Individual (Annex 2)

2 Definition of a Conflict of Interest

2.1 TTPL adopts the guidance of the Charity Commission, which advises that a conflict of interest is any situation in which a relevant individual's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the Company.

2.2 Conflicts of interest usually arise where either:

- there is a potential financial or measurable benefit directly to a relevant individual, or indirectly through a connected person; or
- a relevant individual's duty to the Company may compete with a duty or loyalty they owe to another person or organisation.

An example of a conflict of interest would be where a Director (or a close relation of such) is a sole proprietor or partner in a supplier from which the Company could make purchases and the Director is involved with the selection of suppliers.

2.3 To avoid repetition within this document, the phrase 'Relevant Individuals' is used to include all Members, Directors and staff in the Company.

3 Background and Statement of Intent

3.1 TTPL Members, Directors and members of staff have an obligation under both company and charity law to act in the best interests of the Company and in accordance with its regulatory documents.

Situations may arise where personal, private or family business and pecuniary interests conflict with those of the Company. This may create tensions, inhibit free and open discussion and result in decisions or actions that are not in the interests of the Company.

It is vital that the decision-making processes, decisions and the application of decisions within the Company are, and are seen to be, free from personal or other bias such that the Company is not laid open to criticism, challenge or reputational damage. In spending public money, it is imperative that Relevant Individuals do not benefit personally from the decisions that they make.

To this end, all Relevant Individuals are required to declare any business and pecuniary interest which leads to, or may potentially lead to, a conflict of interest and, wherever possible, to avoid situations in which there is or may be a conflict of interest. Declarations of business and pecuniary interests are recorded in a Register of Business and Pecuniary Interests.

The Company seeks to identify conflicts of interest and take appropriate action to prevent them from affecting any decisions made, such that the best interests of the Company are safeguarded.

3.2 This policy sets out the framework for ensuring that decisions are made in the best interests of the Company, free from personal or other bias and do not unfairly favour any individual or organisation connected with the Company, in line with its legislative context. It intends to

- Ensure that every Relevant Individual understands what the Company considers to constitute a conflict of interest or a potential conflict of interest;
- Ensure that every Relevant Individual understands that they have a responsibility to identify and declare any business or pecuniary interest that might arise;
- Ensure that every Relevant Individual formally records in the Company's Register of Business and Pecuniary Interests the interest and their responsibility to take any necessary actions to ensure that the interest does not affect the decision-making of the Company.

4 Register of Business and Pecuniary Interests

4.1 The Register of Business and Pecuniary Interests is maintained by the Company Secretary.

4.2 In the case of Directors, the Register is also published on the Company website.

5 Identifying Conflicts of Interest

5.1 Relevant Individuals are expected and required to identify and declare formally all interests that might conflict with the interests of the Company. Those failing to identify and declare any conflicts of interest will fail to comply with their personal legal responsibility to avoid

conflicts of interest and act only in the best interests of the Company.

Examples of interests which must be declared include, but are not limited to, the following:

- Any employment as an employee, director, advisor or partner of another business or organisation;
- Holding another public office;
- Trusteeships and governorships at other institutions and charities;
- Significant shareholdings;
- Owing a debt to someone/an organisation;
- Appointments of influence or control within a business or organisation;
- Being a member of a club, society, group, collective, co-operative or association whether business, professional, recreational, sporting, political, religious or social;
- Having received a gift, hospitality or other benefit from someone/an organisation;
- Having a professional, legal or moral obligation to someone else;
- Holding or expressing political, religious or personal views that may indicate prejudice or predetermination for or against a person, group or issue;
- Being a spouse, partner, relative or close friend, or business or private associate of someone who has one of these interests.

5.2 A relative is defined as a close member of family or a member of the same household, who may be expected to influence, or be influenced by, the Relevant Individual. This includes, but is not limited to, a child, grandchild, parent, sibling, spouse, civil partner or cohabitee.

5.3 Having a professional, legal or moral obligation to someone else would include, but is not limited to, disclosure of close family relationships between Relevant Individuals and between Relevant Individuals and other Company employees.

5.4 Significant shareholdings include companies in which the Relevant Individual or relative of the Relevant Individual (taken separately or together) holds more than 5% of the share capital or is entitled to exercise more than 5% of the voting power at any general meeting of that company. However, in the case of a company which has shares listed on a recognised stock exchange, an interest must be declared where a Relevant Individual holds more than 1% of the issued capital.

5.5 An organisation is influenced or controlled by the Relevant Individual or relative of the Relevant Individual (taken separately or together) if that individual is able to secure that the affairs of the body are conducted in accordance with the individual's wishes.

5.6 It is expected that such interests must be declared if they might be deemed to conflict with the interests of the Company e.g. links with firms or organisations from which the Company does or may wish to buy goods or services; the ownership of shares in or the owing of a debt to a company that does, or might, supply goods and services to the Company now or at any time in the future.

5.7 If in doubt about whether or not there is a conflict of interest, the recommendation is to declare it.

6 Declaring a Conflict of Interest

6.1 It is expected that conflicts of interest are identified and declared at an early stage. If an interest is not declared immediately for any reason, there is a legal and moral obligation to declare such an interest at a later date as soon as the Relevant Individual becomes aware that it has become an interest that might conflict with the interests of the Company and/or might influence their involvement in and/or the conduct of and/or outcome of discussions or decisions being made by the Company.

6.2 All Relevant Individuals are required to keep an updated entry record of any conflicts or potential conflicts of interest in the Company's Register of Business and Pecuniary Interests.

6.3 The Register shall be circulated to all Relevant Individuals annually or more frequently on request. In the case of Directors, the Register is also published on the Company website.. All Relevant Individuals undertake to review the Register and to draw attention to any potential conflicts of interest which they consider have been omitted or overlooked by any Relevant Individual. If in doubt about whether or not there is a conflict of interest, there should be a presumption to include it on the Register.

6.4 All Relevant Individuals are obliged to complete and sign a declaration of their business and pecuniary interests even if their declaration is 'None'.

6.5 All formal meetings of the Company have a standard agenda item at the beginning of each meeting to enable any actual or potential conflicts of interest to be declared. Relevant Individuals are required to declare any interest which they have in an item to be discussed at the earliest opportunity and before any discussion of the item itself.

6.6 If a Relevant Individual is uncertain whether or not they have a conflict of interest, they should declare the issue and discuss it with those attending the meeting.

6.7 If an individual is aware, or becomes aware, of an undeclared conflict of interest affecting themselves or any other Relevant Individual, they should notify those attending the meeting immediately.

7 Managing Conflicts of Interest

7.1 All Relevant Individuals must consider their conflicts of interest such that any potential effect on decision-making is eliminated and must follow the legal or governing document requirements on how conflicts of interest must be handled.

8 Articles of Association

8.1 Article 12 of the Articles of Association govern the rules in respect of Directors' conflicts of interests.

8.2 Articles 12.1 – 12.3 of the Articles of Association detail the circumstances in which the Company may or may not authorise a conflict of interest and the procedures to follow to ensure that legal authority is assured.

Whilst these Articles specifically refer to the conduct of Directors, the Company applies the same requirements to all Relevant Individuals.

8.3 In serious cases, Relevant Individuals may decide that removing the conflict of interest itself is the most effective way of preventing it from affecting decision making. Serious conflicts of interest include, but are not limited to, those which:

- are so acute and extensive that the individual is unable to contribute to a decision in the best interests of the Company, or could be seen to be unable to do so
- are present in significant or high-risk decisions of the Company
- mean that effective decision-making is regularly undermined or cannot be managed in accordance with the required or best practice approach
- are associated with inappropriate personal gain or benefit.

9 The Decision-making Process

9.1 Charity law states that Directors can only benefit from the Company where there is an explicit authority obtained in advance. Authority is required where there is the possibility of benefit, therefore it is imperative that there is proper authority for any situation where a Director could benefit, irrespective of whether there is any actual benefit to the Director. The Company seeks to ensure that proper procedures are in place to authorise benefits or potential benefits to all Relevant Individuals.

9.2 Where there is a proposed financial transaction between the Company and a Relevant Individual, or any transaction or arrangement which confers a benefit to the Relevant Individual, which does not contravene the Company's governing documents:

- the benefit must be authorised in advance by the Board. If there is no Board meeting planned within the time frame of authorisation required, then the Chair of the Board and one other Director can be contacted to authorise the benefit. Where the Relevant Individual is the Chair, then two other Directors must authorise the benefit.
- the Relevant Individual must absent him/herself from any part of the meeting in which the issue is discussed or decided.
- the Relevant Individual must not vote or be counted as part of the quorum for the matter.

9.3 Where there is a conflict of loyalty and the Relevant Individual does not stand to gain any benefit and the Company's governing documents do not specify how the conflict of loyalty must be handled, the Relevant Individual should declare the interest which should be duly registered and the rest of those attending the meeting must then decide the acceptable level of participation of the Relevant Individual.

The options may include, but are not limited to, the decision to:

- allow the Relevant Individual to participate in the decision;
- allow the Relevant Individual to remain in the meeting where the decision is discussed but not participate;
- require the Relevant Individual to absent him/herself from the part of the meeting in which the issue is discussed or decided.

9.4 When deciding which course of action to take regarding the conflict of loyalty, the following must be borne in mind:

- the decision must be made only in the best interests of the Company and be demonstrably so;
- the conflict must pose no risk or low risk to the decision-making being made in the best interests of the Company;
- due regard to the protection of the Company's reputation must be paid and the impression given to those outside the Company;
- the presence of a conflicted individual could inhibit free discussion or influence decision-making.

10 Records of proceedings

10.1 Minutes should record details of any and all discussions on potential conflicts of interest and the decisions made.

11 Confidentiality

11.1 Relevant Individuals must not use information obtained directly or indirectly at or from the Company for their own benefit (financial or otherwise) or for the benefit of another individual, entity or organisation. All information obtained shall be deemed to have been obtained in confidence.

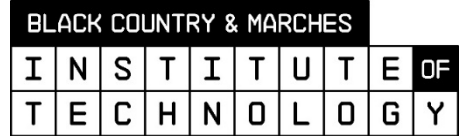
12 Monitoring and enforcement

12.1 The Company Secretary will monitor proceedings to ensure that any conflicts of interest are identified and mitigated as soon as possible.

12.2 Any Relevant Individual who fails to declare an interest and is found to be acting not in the best interests of the Company will be required to explain the reasons for their omission and may face appropriate disciplinary action.

13 Policy circulation

- 13.1 This policy will be circulated to every Relevant Individual who shall annually sign a statement which affirms that they have:
- Received a copy of the policy;
 - Read and understood the policy;
 - Agreed to comply with the policy.
- 13.2 The Conflict of Interests Policy will be published on the Company's website and be reviewed in accordance with the Policy Approval Schedule.



TRANSFORMATIONAL TECHNOLOGIES PARTNERSHIP LIMITED
Annual Conflicts of Interest Acknowledgement Statement

In accordance with the TTPL's Conflicts of Interest Policy ("the Policy"), I, the undersigned, hereby attest and affirm that I have:

1. Received a copy of the Policy
2. Read and understood the Policy
3. Agree to comply with the Policy.

Print Name:

Signature:

Date:

TRANSFORMATIONAL TECHNOLOGIES PARTNERSHIP LIMITED
Declaration of Business and Pecuniary Interests

Name:

Role (Member/Director/Staff Member):

Date of Appointment:

You are required to disclose all employment or other business interests, financial or otherwise, which you or (so far as you are aware) your spouse or partner, children or other close relative may have. You should inform the Company Secretary whenever your circumstances change and interests are acquired or cease. You should also include:

- a. Paid employment or self employment.
- b. Directorships of commercial companies.
- c. Significant shareholdings.
- d. Paid and unpaid consultancies.
- e. Elected offices.
- f. Trusteeships or participation in the management of charities and other voluntary bodies.
- g. Public appointments (paid or unpaid).
- h. Membership of professional bodies and trade or other associations.
- i. Details of gifts and hospitalities offered by outside bodies arising from the person’s position as a Director.
- j. Honorary positions and other positions that might give rise to a conflict of interest or trust.
- k. Membership of closed organisations.

Name of Business/Organisation	Nature of Business	Nature of interest	Date from which involved	Date interest ceased

(Continue overleaf if required)

Signed & dated:

Please complete and return this form to Gill Darwood, Company Secretary gill.darwood@dudleycol.ac.uk

You are reminded that completion of this form does not remove the requirement upon you to disclose orally any interest at any specific meeting and to leave the meeting for that agenda item.

TTPL is committed to protecting your privacy and personal data. The data captured on this form will be used for compilation of the register of interests and may be used or published in accordance with the Conflicts of Interest Policy only. For more information on what data we collect, how we use it, and your rights under data protection law please visit dudleycol.ac.uk/privacy.