



Conflicts of Interest, Related Party and Third-Party Transactions Policy (2026/27)

Author	Clerk & Governance Advisor to the Board
Date	May 2025
Person Responsible	Clerk to the Corporation
Approval/review body	Corporate Board
Frequency of Review*	36 months

** Policies will be reviewed more frequently if legal changes or good practice require*

Review History:		
Date of review	Reviewed by	Reason for review
Nov 2019	Clerk	Completely updated in accordance with current legislation.
Sept 2021	Clerk	Annual Review
Nov 2022	Clerk	Annual Review
October 2025	Clerk	Fully revised to reflect latest Charity Commission Guidance and DfE guidance on Conflicts of Interest.

1. Purpose	2
2. Legal and Regulatory Framework	3
3. Scope	3
5. Principles.....	4
6. Register of Interests	4
7. Declaration and Management of Conflicts.....	4
8. Procurement, Estates and Financial Controls ..	Error! Bookmark not defined.
9. Recruitment and Employment	5
10. Related Party and Third-Party Transactions...	Error! Bookmark not defined.
11. Gifts and Hospitality	6
12. Failure to Disclose	8

13. Monitoring and Assurance.....	8
14. Review.....	8
Appendix A – Annual Declaration Summary.....	8
Appendix A – Annual Declaration of Interests Form	10
North Kent College.....	10
Register of Interests, Related Party Transactions, and Statement of Eligibility	10
Checklist for Completion	10
Section 1a – Declaration of Interests / Related Party Transactions.....	10
Section 1b – Related Parties Connected with Me	11
Section 1c – Third Party Transactions.....	11
Declaration	12
Declaration of Interests & Related Party Transactions	12
Confirmation of Eligibility to Serve	12
Appendix A – Annual Declaration of Interests Guidance Note	13
North Kent College.....	13
Guidance for Completion of Register of Interests, Related Party Transactions, and Statement of Eligibility	13
Purpose of the Form.....	13
Section 1a – Declaration of Interests / Related Party Transactions.....	13
Section 1b – Related Parties Connected with Me	13
Section 1c – Third Party Transactions.....	14
Section 2 – Statement of Eligibility	14
Summary Table – What to Declare	14
Conflicts of Interest – Governance Flowchart	15

1. Purpose

North Kent College is committed to the highest standards of governance, integrity, transparency and accountability.

As an exempt charity and public sector corporation, the College must ensure that all decisions are taken solely in the best interests of the College, its learners and the wider public benefit.

This policy establishes a comprehensive framework for identifying, declaring, recording and managing actual, potential and perceived conflicts of interest. It also sets out requirements for the identification, approval and disclosure of related party and third-party transactions.

The policy is designed to:

- protect the integrity of decision-making;
- ensure compliance with legal and regulatory requirements;
- maintain public trust and confidence;
- protect governors, staff and the College from reputational risk.

2. Legal and Regulatory Framework

This policy aligns with:

- Charity Commission Guidance CC29 (2026)
- Charities Act 2011
- Further and Higher Education Act 1992
- Department for Education financial and accountability framework
- AoC Code of Good Governance
- UK GDPR and Data Protection Act 2018
- Applicable accounting standards (FRS 102)

As an exempt charity, the College must demonstrate that all decisions are taken in the best interests of the organisation and are free from undue influence.

3. Scope

This policy applies to:

- Corporation Board members;
- Committee members and co-opted members;
- Student and staff governors;
- Senior post holders;
- Senior leaders and managers;
- Staff with budgetary, procurement or recruitment responsibilities; and
- Any person acting on behalf of the College.

For the avoidance of doubt, the policy also requires the disclosure and management of interests, relationships and transactions involving connected persons and associated organisations linked to those individuals.

4. Definitions

Conflict of Interest – A situation where an individual's personal, professional, financial or other interests could influence, or appear to influence, their judgement.

Perceived Conflict – Where a reasonable third party could conclude that

impartiality may be affected.

Conflict of Loyalty – Competing duties or allegiances to another organisation, employer, family member or associate.

Connected Person – Includes spouse, partner, parent, child, sibling, in-law, household member or close associate.

Related Party – Any organisation or individual over which the individual has control, significant influence, employment or governance responsibility.

Third-Party Transaction – Any arrangement between the College and a connected or related party.

5. Principles

All individuals must:

- act solely in the interests of the College;
- uphold the Nolan Principles of Public Life;
- declare conflicts promptly and fully;
- avoid involvement in decisions where impartiality is compromised;
- ensure decisions withstand public, regulatory and audit scrutiny.

Governance Test: The test applied by the Corporation is not solely whether a conflict exists, but whether the circumstances could reasonably be perceived to compromise impartiality or public confidence..

6. Register of Interests

The Clerk shall maintain a comprehensive Register of Interests.

All governors and relevant staff must:

- complete an annual declaration;
- update declarations immediately where circumstances change;
- confirm nil returns where no interests exist.

The Register may be published where required for transparency.

7. Declaration and Management of Conflicts

Conflicts must be declared at the earliest opportunity

At meetings:

- declarations are a standing agenda item;
- the Chair (advised by the Clerk) determines appropriate action;

- conflicted individuals may be excluded from papers, discussion or decisions.

Minutes must record:

1. the nature of the conflict;
2. actions taken;
3. confirmation that quorum remained valid.

Conflicts of Loyalty: Conflicts of loyalty must be treated with the same level of seriousness as financial conflicts and may require withdrawal from discussion or decision-making.

Unmanageable Conflicts: Where a conflict is material, persistent, or incapable of effective management, the Corporation may require alternative governance arrangements, removal from a specific role, or in exceptional circumstances, resignation from the Corporation.

8. Procurement, Estates and Financial Controls

Any individual with an actual, potential or perceived conflict of interest must not participate in, influence, or seek to influence any aspect of a procurement, financial or property-related decision where impartiality could reasonably be compromised.

This includes, but is not limited to:

- drafting specifications or tender requirements;
- supplier engagement or market testing;
- selection or shortlisting of suppliers;
- tender evaluation or moderation;
- contract negotiations;
- recommendations relating to contract award;
- approval of expenditure or payments;
- contract monitoring or performance management; or
- oversight of transactions where independence may reasonably be questioned.

Particular care must be exercised in relation to:

- estates and capital projects;
- land and property acquisitions or disposals;
- related party transactions;
- consultancy or subcontracting arrangements;
- high-value procurement exercises; and
- transactions involving public funds or reputational sensitivity.

All procurement and financial decisions must:

- demonstrate transparency, propriety and value for money;
- be capable of withstanding audit and public scrutiny; and
- comply with the College's Financial Regulations, procurement procedures and applicable public sector accountability requirements.

9. Recruitment and Employment

All such transactions must be declared in advance.

Examples include:

- contracts with a governor-owned company;
- consultancy by a connected person;
- sponsorship by a related organisation;
- property or land transactions involving connected parties;
- subcontracting arrangements.

All transactions must:

- demonstrate clear need;
- represent value for money;
- be conducted at arm's length;
- follow procurement rules;
- avoid preferential treatment;
- be fully documented.

Materiality: The Clerk & Governance Advisor to the Board and Chief Executive will determine whether a transaction is material based on financial value, risk, reputational sensitivity and regulatory disclosure requirements.

Material transactions must be reviewed by the Audit Committee and/or Board and disclosed in financial statements where required.

10. Related Party and Third-Party Transactions

All actual, proposed or anticipated related party and third-party transactions must be declared at the earliest opportunity and before any commitment, discussion, recommendation or approval takes place.

This applies whether the arrangement is:

- paid or unpaid;
- direct or indirect;
- financial or non-financial; or

- capable of giving rise to an actual, potential or perceived conflict of interest.

Examples include:

- contracts with a governor-owned or staff-connected company;
- consultancy or advisory services provided by a connected person;
- sponsorship, donations or partnership arrangements involving related organisations;
- property, land or lease transactions involving connected parties;
- subcontracting or supply chain arrangements;
- use of College facilities, resources or services by connected parties; and
- transactions involving College subsidiaries or associated entities.

All such transactions must:

- demonstrate a clear and legitimate business need;
- represent demonstrable value for money;
- be conducted on an arm's length basis;
- comply with the College's Financial Regulations and procurement procedures;
- avoid actual or perceived preferential treatment;
- be supported by appropriate due diligence and governance oversight; and
- be fully documented and capable of withstanding audit and public scrutiny.

Individuals with a declared interest must not participate in the approval, recommendation or management of the transaction unless expressly authorised as part of a managed governance arrangement.

The Clerk and Chief Executive shall determine whether a transaction is material having regard to:

- financial value;
- reputational sensitivity;
- governance risk;
- regulatory disclosure requirements; and
- wider public interest considerations.

Material transactions must be reported to the Audit Committee and/or Corporation Board and disclosed within the College's financial statements where required by accounting or regulatory requirements.

11. Gifts and Hospitality

All gifts, hospitality or benefits must be declared.

Offers that could influence decision-making or create the perception of influence must be declined.

12. Failure to Disclose

Failure to declare a conflict may result in:

- breach of Code of Conduct;
- disciplinary action;
- removal from office;
- referral to appropriate authorities where required.

13. Monitoring and Assurance

The Clerk will report annually to the Audit Committee on:

- completion of declarations;
- conflicts identified and managed;
- related party transactions;
- compliance trends.

The Board will receive assurance that conflicts are effectively managed.

14. Review

This policy will be reviewed annually or sooner if required by changes in legislation or guidance.

Appendix A – Annual Declaration Summary

All governors and relevant staff must complete the annual declaration form covering:

- personal and professional interests
- related party relationships
- third-party transactions
- eligibility confirmation

The declaration must be signed and returned to the Clerk annually and updated as required.

Appendix A – Annual Declaration of Interests Form

North Kent College

Corporation Board

Register of Interests, Related Party Transactions, and Statement of Eligibility 2026/27

To be completed by all Corporation Board Members and all Staff with Budgetary Responsibilities

Purpose: This form supports the College's compliance with statutory requirements, the Charities Act, and Department for Education financial reporting obligations. The form collects declarations of personal interests, related party connections, and legal eligibility.

Please complete all relevant sections and return by 31 August 2025 to:

Yolanda Hughes – Clerk & Governance Advisor

Email: yolandahughes@northkent.ac.uk

Checklist for Completion

You have declared any directorships, trustee roles, or consultancies (Section 1a)

You have disclosed close family relationships relevant to the College (Section 1b)

You have listed any third-party transactions or ticked 'None to declare' (Section 1c)

You have confirmed your eligibility under statutory guidance (Section 2)

You have signed both declarations

Section 1a – Declaration of Interests / Related Party Transactions

My personal/professional business interests are:

(E.g. Director, ABC Training Ltd – education consultancy – active)

Date Disclosed	Date Ended	Interest Description

--	--	--

Section 1b – Related Parties Connected with Me

You must disclose close family members with any business or governance connection to North Kent College or its subsidiaries. This includes:

- Spouse, civil or domestic partner
- Children (aged 18+)
- Parents (including in-laws)
- Siblings and their spouses
- Grandparents and grandchildren (aged 18+)

Name	Relationship	Position/Role	Organisation

Section 1c – Third Party Transactions

Related parties connected with me

Please declare any known transactions—paid or unpaid—between North Kent College and any of your connected persons or their organisations.

Tick one:

None to declare

I have declared transactions below

Relationship (e.g. Spouse, Parent)	Name	Business Interests or Role	Organisation	Nature of Transaction (e.g. service contract, sponsorship)

Section 2 – Statement of Eligibility

I am aged 18 or over (unless a student governor)

I am not disqualified under the Articles of Government or Charity Law

I am capable of managing my own affairs

I have not been declared bankrupt or subject to a restrictions order

I am not disqualified under the Company Directors Disqualification Act, Insolvency Act,

Companies Act, or Charities Act

I understand that an enhanced DBS check is required

Declaration

Declaration of Interests & Related Party Transactions

I declare that I have disclosed all relevant financial and non-financial interests, and those of my immediate family. I understand it is my responsibility to notify the Clerk of any changes during the year.

X

Signed:

Full Name

Date:

Confirmation of Eligibility to Serve

I declare that I meet all eligibility requirements and am not subject to any legal or statutory disqualification.

X

Signed:

Appendix A – Annual Declaration of Interests Guidance Note

North Kent College

Guidance for Completion of Register of Interests, Related Party Transactions, and Statement of Eligibility

Academic Year: 2026/27

This document explains how to complete the annual declaration form required from all Corporation Board Members and staff with budgetary responsibilities. The form supports compliance with the Charities Act, Department for Education requirements, and financial audit standards.

Purpose of the Form

The form ensures transparency, proper management of conflicts of interest, and accurate financial disclosures. It must be completed annually to:

- Confirm personal and related party interests
- Declare third-party transactions
- Confirm eligibility to serve under charity and corporate law

Section 1a – Declaration of Interests / Related Party Transactions

Declare any business or governance interests you personally hold that could influence your College role.

Examples include directorships, self-employment, trustee roles, or consultancies.

Example Entries:

<i>Date Disclosed</i>	<i>Date Ended</i>	<i>Interest Description</i>
<i>01/09/2024</i>	<i>Ongoing</i>	<i>Director of KentSkills Ltd (training provider)</i>

Section 1b – Related Parties Connected with Me

Disclose any close family members who may have roles in organisations that interact or may interact with the College.

This includes spouses, children, parents, siblings, and in-laws.

Example Entries:

<i>Name</i>	<i>Relationship</i>	<i>Position/Role</i>	<i>Organisation</i>
<i>Emma Brown</i>	<i>Sister</i>	<i>Finance Director</i>	<i>South East IT Trust</i>

Section 1c – Third Party Transactions

Declare any actual or proposed transactions between the College (or its subsidiaries) and a person or organisation connected to you.

Include any financial or non-financial transactions, whether or not you were involved in the decision.

Example Entries:

<i>Relationship</i>	<i>Name</i>	<i>Business Interests or Role</i>	<i>Organisation</i>	<i>Nature of Transaction</i>
<i>Spouse</i>	<i>John Smith</i>	<i>Director</i>	<i>Kent Office Tech</i>	<i>Provided photocopiers to NKC (paid)</i>
<i>Parent</i>	<i>Sarah Lewis</i>	<i>Trustee</i>	<i>Medway Youth Trust</i>	<i>Delivered unpaid student workshops</i>
<i>Child</i>	<i>James Patel</i>	<i>Partner</i>	<i>EduSolutions LLP</i>	<i>IT consultancy for STEM pilot (paid)</i>

Section 2 – Statement of Eligibility

Tick each box to confirm you are legally permitted to serve as a governor or budget holder under the Articles of Government and Charity Law.

You must not be bankrupt, disqualified as a company director, or have certain criminal convictions.

Summary Table – What to Declare

Type of Interest	Where to Declare	Example
Your own business roles	Section 1a	Director of training company
Family governance roles	Section 1b	Sibling is a trustee of a college supplier
Transactions involving related parties	Section 1c	Son's business sold goods to the College
Legal eligibility issues	Section 2	Past disqualification under Companies Act

Appendix 3 –

North Kent College Corporation

Conflicts of Interest – Governance Flowchart

1. Identify Potential Conflict↓

Individual considers whether personal, financial, professional or relational interest exists↓

2. Declare Conflict

Declare to Clerk (ongoing) or Chair at meeting↓

3. Record in Register

Clerk records in Register of Interests↓

4. Assess Materiality

Chair + Clerk determine level of risk (low / medium / high)↓

5. Management Action

Options:

- No action (not material)
- Participate for information only
- Withdraw from discussion
- Withdraw from decision
- Full exclusion from item↓

6. High-Risk / Transaction Case?

If YES → refer to Audit Committee / Board

If NO → proceed with managed participation↓

7. Decision Taken

Remaining members consider matter independently↓

8. Record in Minutes

Include:

- nature of conflict
- action taken
- quorum confirmation↓

9. Annual Review

Conflict reviewed via annual declaration and Audit Committee reporting