

# PECUNIARY INTEREST POLICY



*WHERE LEARNING IS UNSTOPPABLE AND ASPIRATIONS HAVE NO LIMITS*

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<b>Version Number:</b>	V1.0
<b>Date Ratified by Board:</b>	14 <sup>th</sup> March 2018
<b>Review Date:</b>	Annual

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**Registered in England and Wales, Company Number: 10650092**

## **PECUNIARY AND BUSINESS INTERESTS POLICY**

### **INTRODUCTION**

Schools manage a significant proportion of public funds and must demonstrate that no governor, employee or related party benefits personally from the use of funds.

Financial decisions must be seen to be made in accordance with the [Seven Principles of Public Life](#):

- Selflessness:** No financial gain or other material benefits for self/family
- Integrity:** Independent of outside influence
- Objectivity:** Decisions made on merit
- Accountability:** Accountable for decisions/actions to the public
- Openness:** Open about decisions and actions taken wherever possible
- Honesty:** Declare private interests, resolve conflicts to protect public interest
- Leadership:** Promote and support principles by leadership and example.

Orwell Multi Academy Trust states:

The Local Governing Board of each school is required to establish a register which lists for each member of the governing Board, the Headteacher and school staff:

- Any business interests they or any member of their immediate family\* have
- Details of any other educational establishments that they govern
- Any relationships between school staff and members of the governing Board
- The register must be kept up to date with notification of changes, through annual review of entries and reviewed annually by the Governing Board
- The register must be available for inspection by governors, staff, parents and the Trust
- The register must be published, for example on a publicly accessible school website
- *N.B business interests/nil returns of school staff may be omitted from the published copy unless they are also governors or the Headteacher, in which case they must be included in the published copy*

\*immediate family to include other relatives and individuals who may exert influence

Trustees, Governors and Staff must be given an opportunity to declare an interest in any item on the agenda of a meeting and must withdraw from the meeting for relevant agenda items.

The purpose is to ensure that decisions made in terms of appointing staff, spending the Trust's money etc. are in no way influenced by personal interests; and also to provide openness and transparency to parents and the wider public. Without such a framework of accountability the actions of Trustees, Governors and Staff could be open to question.

By registering and declaring interests, individuals are ensuring that other people

involved in decision making know from the outset that there could be a potential conflict of interests, and can ensure that the individual concerned takes no part in the process.

This policy requires the approval of the Board of Trustees; it cannot be delegated to a LGB or committee. It will be reviewed annually.

This policy will be issued to all new Trustees, staff and governors and will be readily accessible to all existing.

## **TRUST POLICY**

The Trust Board will maintain a register for each Member, Trustee and centrally appointed staff; each school will maintain a register of the Local Governing Board, the Headteacher and school staff which will include:

- Any business interests they or any member of their 'immediate family'\* have
- Details of any other educational establishments that they govern
- Any relationships between school staff and members of the governing Board
- The register will be kept up to date with notification of changes, through annual review of entries and reviewed annually by the governing board
- The register will be available for inspection by governors, staff, parents and the LA
- The register will be published on the school website (a publicly accessible website)

*\*'immediate family' to include other relatives and individuals who may exert influence*

Business interests/nil returns of school staff may be omitted from the published copy unless they are also governors or the Headteacher, in which case they must be included in the published copy.

Staff and governors must be given an opportunity to declare an interest in any item on the agenda of a meeting and must withdraw from the meeting for relevant agenda items.

## **INDIVIDUAL DECLARATIONS**

Each person is responsible for:

- making complete declarations at least annually, and for ensuring that their declaration is up-to-date
- disclosing an interest and withdrawing from meetings/activities where appropriate

Each member of the Trust, Local Governing Bodies and school staff must complete and sign the Trust 'Declaration of Pecuniary and Business Interest' form annually. The form must be completed in ink.

'Nil' should be used to indicate where no interest exists.

All interests and connections which could influence the Trust and its schools reputation with the public should be registered, including:

- details of any other educational establishment where the individual is a governor, associate member or trustee
- personal relationships with other members of staff or governors of the school, including spouses, partners and relatives
- details of charities where the individual is a trustee
- details of membership of professional bodies, membership organisations, public bodies or special interest groups where the individual is a member and has a position of general control or management

Relevant business interests where the individual, or an immediate family member (to include other relatives and individuals who may exert influence) have a financial, or other, interest in a business or organisation which could feasibly be in a position to supply goods/services to the school should be registered, including:

- building, catering and other premises/grounds contractors
- suppliers of stationery and equipment
- transport contractors
- service providers (including audits for school funds)

Relevant business interests where the individual is a director, partner or shareholder should be registered.

Only relevant interests need to be included but not for example being a small shareholder in a large national company.

Declarations should be clearly recorded so that there can be no potential for misunderstandings. Everyone must use the 'Declaration of Pecuniary and Business Interest' form provided by the Trust; each school will print copies when needed. The forms must be completed annually; and more frequently whenever changes in circumstances have taken place.

If a new interest becomes applicable during the school year then it is the responsibility of the individual trustee, governor or member of staff to request a new '*Declaration of Pecuniary and Business Interest*' form.

It may be appropriate that the requirement to complete the declaration goes beyond just staff and governors. The headteacher will decide who else should be considered as an interested party in order to extend the requirement to additional individuals who have significant contact and/or influence with the school.

The Trust recommends that interests are declared if the individual is unsure. Specific issues can be discussed with the CEO on 01473 684922.

## **GENERAL INTERESTS REGISTER**

Each Headteacher will maintain an up-to-date General Interests Register for their school, and the CFM will maintain one for the Trust

The Register must contain individual entries from each Trustee, governor and member of staff, each entry will be sequentially numbered.

The Register will include:

- the name of the governor or member of staff
- their position(s) (governor, job title etc)
- names of potential interests/businesses  
*e.g. name of a close relative who works at the school*
- nature of interest(s) and business  
*e.g. 'spouse employed as Bursar' or 'company director'*
- trading address of business
- date interest(s) start and end
- date the form was signed
- details of who countersigned the form
- confirmation as to whether the information can be withheld from the published copy
- details of who updated the Register and the date

## **PUBLISHING THE REGISTER**

The Trust, and each Local Governing Board is responsible for publishing the Register on the publically accessible website.

- The Register will be available for inspection at the school by members of the public, parents and staff.
- The Register will also be made available on the school website in a readily accessible form.
- Business interests/nil returns of school staff may be omitted from the published copy unless they are also governors or the headteacher, in which case they must be included

## **WITHDRAWING FROM MEETINGS**

The general principle is that no-one should be involved in a decision where his or her personal interests may conflict with those of the governing Board or the school:

- The regulations apply to all members of the Trust, Local governing Board and the headteacher and any others in attendance at meetings.
- If a matter is to be voted upon, then no-one with a pecuniary or business interest should be present when the vote is taken.
- Trustees and Governors nominated for Chair or Vice-Chair must withdraw when the election of that role being considered and voted upon.
- Governors must withdraw where their own appointment, reappointment or removal as a member of the governing Board is under consideration.
- Each Headteacher must withdraw from any meeting where their own pay or performance appraisal is under discussion.
- The CEO, or any governor who is employed to work at the school (other than the headteacher), must withdraw from a meeting where the pay or performance appraisal of any particular person employed to work at the school/Trust is under discussion.
- Any governor who has a child at the school must withdraw from any meeting where the outcome of discussions/decisions could potentially directly affect their child.
- *An example would be for a parent governor to withdraw from a Pupil Discipline Committee meeting where discussions will concern a child in the same class as the governor's child.*

## **DISCLOSING AN INTEREST AND WITHDRAWING**

If a person has any pecuniary or business interest, direct or indirect, in any contract, proposed contract or any other matter under discussion at a meeting or an activity that the school is undertaking, or planning to undertake then they must disclose the fact and:

- Withdraw from a meeting during the consideration or discussion of the matter

*An example would be for a governor to withdraw from a selection panel where the governor has disclosed links to a potential candidate*

- Not take part in the vote on any question related to the matter
- Not take part in any financial activity connected to the matter

*An example would be a school employee with disclosed links to a local coach company not becoming involved in any part of the process of hiring and paying for coaches for school trips.*

*An example would be a governor with a pecuniary interest in a potential contract not taking part in drawing up the specification and/or tender document*

An entry must be recorded in the Specific Events Register each time a withdrawal has occurred.

### How to disclose

If the person making the declaration is only one of a number participating in the decision, the declaration must be made to the other participants.

If the person making the declaration is the only person making the decision, the declaration must be made to the Headteacher.

If the person making the declaration is the Headteacher, the declaration must be made to the Chair of Governors.

The declaration must be made in writing unless made at a meeting where official minutes are being taken.

### **SPECIFIC EVENTS REGISTER**

The Trust and each Local governing board will maintain a Specific Events Register.

An entry must be made each time an event occurs, each entry should be sequentially numbered and the minimum information that must be recorded includes:

- The date of the event  
*e.g. date of meeting, date an order was raised*
- A description of what was disclosed and in what circumstances  
*e.g. at the governing board meeting on .....*
- A cross-reference to an entry in the General Interests Register (if applicable)
- Date the entry was made in the Specific Events Register
- The Head or Chair must sign and date each entry

There may be occasions where participation is unavoidable. In these situations, the risks will be considered by the Chair of Governors/Trust (or the whole governing/Trust board if the situation relates to the chair or the headteacher) and advice will be sought from the Trust.

An entry will be made in the Special Events Register to record the outcomes of the consideration. The outcome will also be recorded at the next meeting.

### **LOCAL GOVERNING BOARD REVIEWS**

The local governing board will review the General Interests Register on an annual basis. The headteacher will maintain a record to show when the reviews took place.

The General Interest Register will be available at every meeting of the local governing board; and for committee meetings where appropriate.

## **NON-COMPLIANCE**

The Trust and each school is potentially at risk of significant damage to its reputation should anything go wrong and fall into the public domain as a result of an individual failing to declare an interest or failing to withdraw from meetings or activities where they have an interest.

The school's Whistleblowing Policy must be followed where there are concerns that a pecuniary or business interest has not been declared and an individual or their 'immediate family' may have subsequently benefitted.

It is the responsibility of all taking part in meetings and/or activities to ensure that no-one with an interest are present.

Anyone failing to reveal information to enable the Trust and local governing boards to fulfil their responsibilities may be in breach of the Code of Conduct and as a result be bringing the Trust into disrepute. In such cases the Trust will consider suspending the governor.

Any member of staff found to be withholding information may be subject to disciplinary action.