

SOUTH BANK ACADEMIES

Register of Business and Pecuniary Interests

Introduction

It is important for all people involved in spending public money to demonstrate that they do not benefit personally from the decisions they make.

Ofsted and the Audit Commission have recommend that governing bodies establish a register of pecuniary and business interests, which should be open for inspection, and in which Directors, Local Governors and senior school staff (Principals and Vice Principals) should record, among other things, any links they may have with companies from which the school may wish to purchase goods and services.

Relevant Individuals

To avoid repetition within this document, the phrase 'Relevant Individuals' is used to include all Members, Directors, Governors, Staff in the central Trust (including Clerks) and Senior Staff in each academy (the latter defined for these purposes as the Principal and their direct line reports).

Register of Business and Pecuniary Interests

The Register of Business and Pecuniary Interests is maintained by the Company Secretary. In the case of Members, Directors and Governors, the Register is also published on the Trust website.

Identifying Business and Pecuniary Interests

Relevant Individuals are expected and required to identify and declare formally all interests that might conflict with the interests of the Trust. 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 Trust.

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

- Being 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;
- Owning 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.

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.

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 Trust employees.

Significant shareholdings include companies in which the Relevant Individual or relative of the Relevant Individual (taken separately or together) holds more than 20% of the share capital or is entitled to exercise more than 20% 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.

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.

It is only expected that such interests would be declared if they might conflict with the interests of the Trust e.g. links with firms or organisations from which the Trust 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 Trust.

Declaring a Conflict of Interest

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 Trust and/or might influence their involvement in and/or the conduct of and/or outcome of discussions or decisions being made by the Trust.

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

The Register shall be circulated to all Relevant Individuals annually or more frequently on request. In the case of Members, Directors and Governors, the Register is also published on the Trust 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.

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

All formal meetings of the Trust 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.

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

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

Managing Conflicts of Interest

All Relevant Individuals must consider their conflicts of interest such that any potential effect on decision-making is eliminated and must follow the South Bank Academies Scheme of Delegation requirements on how conflicts of interest must be handled.

The Decision-making Process

Charity law states that Directors can only benefit from the Trust 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 Trust seeks to ensure that proper procedures are in place to authorise benefits or potential benefits to all Relevant Individuals.

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

- the benefit must be authorised in advance by the Trust Board. If there is no Trust Board meeting planned within the time frame of authorisation required, then the Chair of the Trust Board and one other member of the Board can be contacted to authorise the benefit. Where the Relevant

Individual is the Chair of the Board, then at least two other members of the Trust Board 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.

Where there is a conflict of loyalty and the Relevant Individual does not stand to gain any benefit and the Trust'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 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.

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 Trust 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 Trust;
- due regard to the protection of the Trust's reputation must be paid and the impression given to those outside the Trust;
- the presence of a conflicted individual could affect trust between participants of the meeting and inhibit free discussion or influence decision-making.

Records of proceedings

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

Confidentiality

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

Monitoring and enforcement

The Trust's Audit Committee will monitor proceedings to ensure that any conflicts of interest are identified and mitigated as soon as possible.

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

Interests to Declare

Please make any amendments/deletions to these interests as appropriate and use the tables below to add new interests.

Organisation Name	
Address	
Nature of Business	
Position	
Whether remunerated	
Start Date of Interest	

Organisation Name	
Address	
Nature of Business	
Description of Interest	
Whether remunerated	
Start Date of Interest	

Please continue on additional sheet, as necessary.

I have read and understood the Guidance notes on interests of local governors as set out in the Scheme of Delegation and above.

(PRINT NAME):

Signed:

Date:

Please return the completed form to Michael Broadway, Company Secretary.
If you have any doubts or require any assistance, please feel free to contact the Company Secretary (broadwam@lsbu.ac.uk)