**FAQ’s – Pecuniary and Business Interests**

| **Question** | **Answer** |
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| **INDIVIDUAL DECLARATIONS** | |
| I filled in my declaration last autumn; do I need to do this again as it seems like a lot to fill in? | 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](https://www.gov.uk/government/publications/the-7-principles-of-public-life). Registering and publishing interests enables the governing body and school to demonstrate to the wider public that decisions are always taken in the best interests of the school or the public funds that finance it.  By completing a new form each year (or more frequently when a change in circumstances arises) then the individual is ensuring that their declarations are accurate and up-to-date.  If there is nothing to declare then only a ‘nil’ return is required. Where there is something to declare it is essential that the information is accurate and up-to-date; by completing a new form each year (or more frequently when a change in circumstances arises) the individual is ensuring that their interests are correctly declared. |
| Some questions do not apply to me – can I leave these fields blank? | In order to reduce the potential for misunderstandings at a later date you should ensure that all fields are completed, using ‘nil’ or ‘n/a’ where appropriate.  No field should be left blank. |
| I am a governor. I do not wish my interests to be made public on the internet; can my information be withheld from the published copy? | In 2015 the DfE directed local authorities to amend their Schemes for the Financing of Schools to include the requirement for the register of business interests of governors and the headteacher to be published on a publicly accessible website.  The [Seven Principles of Public Life](https://www.gov.uk/government/publications/the-7-principles-of-public-life) include the following:  **Selflessness:** No financial gain or other material benefits for self/family  **Integrity:** Independent of outside influence  **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  As a governor you are accountable to the public and as such will need to be open about your pecuniary or business interests. This may be something that individuals need to consider before taking on the responsibility of public office.  Where an interest exists that cannot be made public then this will present a conflict of interests for the school as they can no longer comply with the requirements of the *Scheme for the Financing of Schools*. |
| Why do I need to declare relationships with governors or members of staff? | Conflicts of interest will arise where individuals are involved in:   * recruitment and selection * payments of expenses and reimbursements * line management, annual development reviews and pay progression * redundancy and restructures * grievance, discipline and dismissal   The potential for gossip and mistrust are reduced when relationships are made public |
| Why do I need to declare that I am a trustee of a charity? | There may be occasions where the school wishes to fundraise for charity. You need to withdraw from any discussions relating to potential charity nominations.  This would not preclude your charity from being nominated but, by withdrawing, it will be open and transparent to the public that you had no influence over the decision, even if your charity is chosen. |
| Why do I need to declare my membership of a professional body? | You only need to declare this if you also hold a position of general control or management within the organisation.  The governing body and school may benefit from your expertise and knowledge, so it would be good to make it known to governors and the headteacher even if you are not required to declare it. |
| I’m not sure if I should declare my interest as I don’t think it is significant for the school? | Only interests relevant to the school and the governing body need to be included. You need to consider whether your interest could potentially give rise to a potential conflict of interest for you; if it might then you must declare the interest.  Where the interest is extremely unlikely to give rise to any conflict of interests then it does not need to be included. Some examples might be:   * owning a small number of shares in a national energy company * director for a firm of funeral homes * partner in a dog boarding kennels company   You may wish to discuss your interests with the chair of governors and/or the headteacher, or contact the Schools’ Accountancy Team, prior to completing your declaration. The local authority recommends that you declare your interest if you are still unsure. |
| **GENERAL INTERESTS REGISTER & PUBLISHING THE REGISTER** | |
| Why does the Register need to be sequentially numbered? | It will be clear to anyone examining the register that no entries have been added or removed at a later date if each entry is sequentially numbered. |
| How can the school ensure that the Register contains an entry for each member of the governing body and school staff? | We recommend that you maintain an annual list of all current governors and staff and cross reference this to entries in the General Interest Register. This will help identify individuals who still need to provide their declaration for the current year |
| Do we have to publish the interests of members of staff? | No, unless they are also the headteacher or governors of the school.  Staff who are related to a governor or the headteacher need to be aware that their relationship will be made public as all governors and the head are required to publish on-line their interests, including relationships to other governors and members of staff. |
| **SPECIFIC EVENTS REGISTER & WITHDRAWING FROM MEETINGS/ACTIVITIES** | |
| Why does the Register need to be sequentially numbered? | It will be clear to anyone examining the register that no entries have been added or removed at a later date if each entry is sequentially numbered.  It will also be clear when the last event was recorded. |
| Why does the headteacher or chair of governors need to sign each entry made in the Register? | Signing the entries is evidence that the headteacher and chairman are aware of the events and the subsequent actions taken. |
| Our bursar has links to a local company that supplies the school. She is very professional and we have no concerns regarding her integrity in carrying out financial tasks relating to the ordering and paying for goods supplied by the company. Do we need to change this practice? | Members of the public would consider it very difficult for individuals to be completely impartial when they have a personal interest in the financial activities of the schools.  To protect the individual concerned and the school’s reputation, the bursar should not be ordering and paying for goods supplied by the company. She should also withdraw from any discussions and activities related to obtaining quotations and tenders for which the company might wish to compete.  It is the headteacher’s responsibility to ensure that arrangements are put in place to enable the bursar to withdraw from all activities related to trading with the company. As the school will already have contingency arrangements to cover the bursar’s absence then these arrangements could also be used to cover the processing tasks with decision-making and authorisation tasks being assumed by the headteacher.  The Specific Events Register should be completed whenever necessary so that the governing body can provide evidence to show that the bursar has had no influence over school decisions in this matter. |
| Our governing body has had difficulties finding an honorary auditor for our School Fund. One of our governors has a sister who is a qualified accountant who is willing to do this for us. Can we approve this? | There should not be a pecuniary or business interest linked to the appointment of an honorary auditor for the School Fund.  Governors need to consider all options regarding the appointment of an auditor which may include:   * finding an alternative honorary auditor where there is no pecuniary/business interest link * appointing a firm of accountants to audit the accounts, the fee would be payable from the School Fund * commissioning Schools’ Choice Finance to undertake the audit, funds should be paid from the School Fund to the school’s budget bank account to cover the cost of the audit   If there are insufficient funds in the School Fund to pay a firm of accountants or Schools’ Choice to audit the Fund, and an alternative honorary auditor cannot be found then:   * the full governing body would need to meet to consider whether the governor’s sister could be used as an honorary auditor * the governor must declare his/her interest and withdraw from all discussions and the decision. This must be recorded in the Specific Events Register and in the minutes of the meeting   If governors approve the appointment of the sister then:   * the Chair of governors will need to inform the Schools’ Accountancy Team of the decision. The Schools’ Accountancy Team will also inform Audit Services * the honorary auditor will need to declare her relationship to the governor when signing the School Fund Audit Certificate at the conclusion of the audit * the governor must declare his/her interest and withdraw from the presentation and approval of the audited School Fund accounts. This must be recorded in the Specific Events Register and in the minutes of the meeting   If difficulties in providing adequate arrangements for the annual audit persist, then the governing body should give careful consideration to the closure of the account and transferring the balance to the school’s budget bank account. Further advice on this can be obtained from the Schools’ Accountancy Team |
| How do we contact the Schools’ Accountancy Team? | Email: [sat@suffolk.gov.uk](mailto:sat@suffolk.gov.uk)  Tel: 01473 265626  Post: Schools’ Accountancy Team, Floor 3, Constantine House, 5 Constantine Road, Ipswich, Suffolk, IP1 2DH  Website: [www.suffolklearning.co.uk/leadership-staff-development/schools-accountancy](http://www.suffolklearning.co.uk/leadership-staff-development/schools-accountancy) |