

EXTRACT FROM THE KIRKLEES FINANCE HANDBOOK FOR SCHOOLS: UPDATED AUTUMN 2001

(Business Interest means not only monetary advantage, but influence)

Section 5: Purchasing/Ordering Goods & Services

3.24. BUSINESS ETHICS

It is important that the Governors and staff not only act impartially, but are also seen to act impartially. In May 1996, the Nolan Committee published a report on standards in public life as applicable to local public spending bodies. The report identified seven principles which should be applied in public life. These are: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. One important means by which a school demonstrates that it is applying these principles is by maintaining a **Register of Business Interest**.

The Governing Body and school staff have responsibility to avoid any conflict between their business and personal interests and affairs and the interests of the school. A register of business interests must be maintained for both Governors and staff which must be freely available for inspection by Governors, staff and parents. This is not meant to preclude involvement of related organisations with the school on a commercial basis, but links to the need for proper specification and open processes of competition to choose suppliers.

The register must include all business interests such as directorships, share holdings and other appointments of influence within a business or other organisation which may have dealings with the school. This includes ownership, management or operation of local businesses, particularly those related to the supply of works, goods or services directly or indirectly to the school, but even minor shareholdings in Plcs should be declared, (although this would not normally preclude a Governor from involvement in decision making). Governors who are, or are related to, employees of the local authority should declare this. The disclosures should also include business interest of relatives and other individuals who may exert influence. This includes wife/partner, parents, brothers and sisters. It is accepted that Governors and staff may not be aware of all of the business affairs of their relatives. Declarations should relate to those of which Governors and staff are overtly aware. Schools should ensure the register is up to date and complete, includes all Governors and staff and in this regard signed and dated nil returns are also required. Governors and staff should be reminded once per year to consider and re-sign their register of interests. This register is additional to the need for Governors to declare pecuniary and non-pecuniary interests at Governors' meetings.

Governors who are, or intend to be, main contractors (or are, or intend to be sub-contractors to main contractors) on work being procured by the school (or the local Authority on the school's premises), must inform the Head Teacher immediately and the Governing Body at their next meeting. Staff who intend to order works, goods or services from a company with which they have a business interest, (whether following quotes, tenders or otherwise), must declare this in writing to the Head Teacher. The Head Teacher must declare any business interest in similar circumstances to their Chair of Governors.

Register of Business Interests: School

The Auditors require the words “nil return” where appropriate. Please read overleaf.

Name of Business	Nature of Business	Nature of Interest	Date of Appointment or Acquisition	Date of Cessation of Interest	Date of Entry

I certify that I have declared all beneficial interest which I or any person closely connected with me have with businesses or other organisations which may have dealings with the school.

Name Signed Date

The Head Teacher should keep these forms, which are available for inspection by the governors, the staff, the parents of the School and appropriate officers of the Authority.