

## **Guidance Note: Register of Interests and Declaration of Interest**

“Governors should be mindful that in exercising governing body functions, and as required in maintained schools by legislation, they must act with integrity, objectivity and honesty and in the best interests of the school; and be open about the decisions they make and the actions they take and be prepared to explain their decisions and actions to interested parties” – DfE Governors’ Handbook, Jan 2015.

Under the School Finance (England) Regulations 2012, local authorities must have a scheme for the funding of maintained schools that requires all schools to maintain a register of interests and ensures that it is updated regularly. Academy funding arrangements have similar requirements.

The principle is that no one – neither governors/trustees, headteachers/principals, associate members, nor their close relatives or connections (eg. spouses, partners, friends, businesses or employers) - should benefit financially or personally from their involvement in decisions taken by a governing board or one of its committees.

The Nolan Committee’s Seven Principles of Public Life set out the expectations of holders of public office, including governors – see below.

### **Who needs to sign an entry for the Register?**

All members of the governing board or equivalent, the headteacher/principal and associate members must make a signed entry in the Register setting out any relevant business and/or personal interests. Statutory guidance published in August 2015 also requires any material interests arising from relationships between governors or relationships between governors and school staff (eg. spouse, partner or close relative/connection) to be declared, along with any governance roles in other educational institutions.

It is good practice that other members of staff who can influence purchasing and/or contracting decisions should also sign the register.

### **What needs to be declared?**

An interest is anything that might influence an individual to take into account some factor other than the interests of the school. As a general principle you should register and declare anything which an outside observer might reasonably think puts you at risk of being biased by putting private considerations above the public interest or seeking preferential treatment for yourself or people/bodies with whom you are connected. A proforma is attached for this purpose which you are asked to complete even if you have no business interests to declare.

Entries for those with no interests to declare should be recorded as “None” or “Nil” in pen and duly signed. Any remaining space on a completed proforma should be struck through to prevent retrospective entries. Thereafter, it is the responsibility of the individual to maintain the accuracy of their entries, if necessary by completing a new form. The existence/maintenance of the Register will be subject to routine audit checks.

### **Business Interests**

There is no exact definition of what constitutes a business interest, but as a minimum it is expected that any trade or profession, along with any direct interest in any company providing goods and services that they, a member of their family or close connection may have an involvement in should be declared. This includes the full range of director and/or partnerships, commercial arrangements, shareholdings, trusteeships etc. If in any doubt, register it.

### **Personal Interests**

A personal interest can be defined as any factor which would cause an intelligent observer to think that the judgement of a governor/headteacher is biased. Most often this will be a case of being related to or knowing someone who has a financial interest in the decision being made or being related to someone who is, or has applied to be, employed at the school.

### **Governance roles in other educational institutions**

From 1 September 2015, governance roles in other educational institutions must be declared. DfE guidance states that “it is likely that only in exceptional circumstances will it be practical and beneficial for an individual to serve on more than two governing bodies – but this is rightly a matter for the appointing body to decide”.

## **Publishing the Register online**

The Register **must** now be published on the school's website "in a readily accessible form" (without the need to download or open a separate document), along with the same information about the interests of any associate members. The register must also be made available at the school to persons wishing to inspect it.

An annual reminder that all governors etc are required to register their 'Business Interests' should be included as a regular agenda item for full governing board meetings and a new entry must be completed at the beginning of each financial or academic year, depending on what the GB has agreed. New governors or members of staff who influence financial decisions should be asked to complete an entry when joining.

Governing bodies are also advised to make it clear in their code of conduct and any governor recruitment materials that this information will be published. Any governor failing to provide information to enable the governing board to fulfil its responsibilities may be in breach of the code of conduct and as a result be bringing the governing board into disrepute. In such cases the governing board should consider suspending the governor.

## **Declaration of Interests - pecuniary interests**

If a governor has an interest in any matter being considered by the governing board then s/he should declare that interest at the relevant time. This applies whether the governor stands to lose or gain from the decision and if the interest is direct or indirect.

The rules about declaration of pecuniary interests, withdrawal from meetings and not voting on those matters are set out in [The School Governance \(Roles, Procedures and Allowances\) \(England\) Regulations 2013](#) and accompanying [DfE Departmental Advice](#).

Business interests and pecuniary interests are not synonymous. Pecuniary interest is a wider term which would capture personal financial interests (e.g. trust funds and investments) as well as potential interests (e.g. possible promotion for a teacher governor). It is because these kinds of interests may not be clear in advance that the regulations make separate provision for them to be declared at the meeting at which the matter in question comes up for discussion. These declarations must be formally recorded in the minutes.

## **The Seven Principles of Public Life**

Known as the Nolan Principles, and defined by the Committee for Standards in Public Life, these are set out below. All holders of public office, including governors, are expected to abide by these principles.

- **Selflessness**  
Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.
- **Integrity**  
Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.
- **Objectivity**  
In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
- **Accountability**  
Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
- **Openness**  
Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
- **Honesty**  
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
- **Leadership**  
Holders of public office should promote and support these principles by leadership and example.