

Register of Business Interests Policy 2021

The Link Academy Trust is a company limited by guarantee and an exempt charity, regulated by the Education & Skills Funding Agency (ESFA). All Members of the Board of Trustees are also Trustees of the exempt charity. This Policy applies to all Members, Trustees, Local Governors and staff of the Trust.

The Trust is committed to the principles of probity and accountability in its duty to protect the public purse. Furthermore it takes very seriously its responsibility to meet the statutory duty to ensure that it has in place a current register of business interests for all staff, local governors, trustees and members involved in purchasing and procurement decisions. The register will be open for inspection by all stakeholders to the Trust on written request.

Statutory Requirement

This policy is written in accordance with paragraph 5.44 to 5.58 of the Academies Financial Handbook Sept 2020 which states:

“The academy trust’s register of interests must capture relevant business and pecuniary interests of members, trustees, local governors and senior employees, including:

- *directorships, partnerships and employments with businesses*
- *trusteeships and governorships at other educational institutions and charities*
- *for each interest: the name and nature of the business, the nature of the interest and the date the interest began.”*

The Trust also captures relevant business interests and pecuniary interests of all staff within the individual academies. These registers are not published on websites, but are available from the administrators for inspection by members, trustees, governors and the ESFA.

Declaration of Interest

The Trust’s employee code of ethical conduct also states that employees *“must make known to the Trust Business Manager all financial and non-financial interests that could bring them into conflict with the Trust’s/academies interests.* Employees are required by law to declare any financial interests, whether direct or indirect, which could conflict with Trusts/academies interests.

Register of interests

The register must identify relevant material interests from close family relationships between the Trust’s members, trustees or local governors. It must also identify relevant material interests arising from close family relationships between those individuals and employees. ‘Close family relationships’ is defined below.

The Trust will consider whether other interests should be registered, and if in doubt should do so. The Board of Trustees must keep its register of interests up-to-date at all times.

The Trust will publish on its websites relevant business and pecuniary interests of members, trustees, local governors and accounting officers. The Trust has discretion over the publication of interests of other individuals named on the register.

At cost requirements

A Trust must pay no more than 'cost' for goods or services ('services' do not include contracts of employment) provided to it by the following persons ('persons' meaning both individuals and organisations):

- members or trustees of the Trust
- individuals or organisations related to a member or trustee of the Trust. For these purposes the following persons are related to a member, or trustee:
 - a relative of the member or trustee. A relative is defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner
 - an individual or organisation carrying on business in partnership with the member, trustee or a relative of the member or trustee
 - a company in which a member or the relative of a member (taken separately or together), and/or a trustee or the relative of a trustee (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
 - an organisation controlled by a member or the relative of a member (acting separately or together), and/or a trustee or the relative of a trustee (acting separately or together). For these purposes an organisation is controlled by an individual or organisation if that individual or organisation can secure that the affairs of the body are conducted in accordance with the individual's or organisation's wishes
 - any individual or organisation given the right under the trust's articles of association to appoint a member or trustee of the academy trust; or any body connected to such individual or organization
 - any individual or organisation recognised by the Secretary of State as a sponsor of the Trust; or any body connected to such individual or organisation.

A body is connected to another individual or organisation if it is controlled by the individual or organisation, or controls the organisation, or is under common control with the individual or organisation. For these purposes, control means:

- holding more than 20% of the share capital (or equivalent interest), or
- having the equivalent right to control management decisions of the body, or
- having the right to appoint or remove a majority of the board or governing body.

The 'at cost' requirement does not apply to the Trust's employees unless they are also one of the parties described above.

While these provisions do not apply to contracts of employment, the principles of value for money and using public money properly, including managing conflicts of interest, still apply. Salaries should be appropriate to the individual's skills and experience and to wider market rates.

If staff of an individual or organisation are based in, or work from the premises of, the Trust, that individual/organisation and the Trust must agree an appropriate sum to be paid to the Trust for use/occupation of the premises, save to the extent that they are carrying out work for the Trust.

The 'at cost' requirement applies to contracts with a related party agreed on or after 7 November 2013.

The 'at cost' requirement applies to contracts with a related party exceeding £2,500, cumulatively, in any one financial year. Where a contract takes the Trust's cumulative annual

total with the related party beyond £2,500, the element above £2,500 must be at no more than cost.

In relation to organisations supplying legal advice or audit services to the Trust, the 'at cost' requirement applies where the organisation's partner managing the service is a member or trustee of the Trust but not in other cases for those organisations. The published ethical standards for auditors prevent partners or employees of the audit firm from acting as a trustee of their client trust, but not of other trusts.

In relation to dioceses, the contributions made by an academy trust to its diocese for services it receives associated with securing the academy trust's religious character and ethos, which only the diocese can provide, are regarded as meeting the 'at cost' requirement.

The trust will ensure any agreement with an individual or organisation referred to above to supply goods or services to the Trust is properly procured through an open and fair process and is:

- supported by a statement of assurance from that individual or organisation to the Trust confirming their charges do not exceed the cost of the goods or services, and
- on the basis of an open book agreement including a requirement for the supplier to demonstrate clearly, if requested, that their charges do not exceed the cost of supply.

For these purposes the cost will be the 'full cost' of all the resources used in supplying the goods or services and must not include any profit. Full cost includes all direct costs (costs of materials and labour used directly in producing the goods or services) and/or indirect costs (a proportionate share of fixed and variable overheads).

This Policy will be reviewed by the Board of Trustees on a 3-yearly cycle

Policy Reviewed by Trustees:	24 May 2021
Next Review:	Spring Term 2024