

FURTHER DETAILS

REMUNERATION/BENEFITS

Trustees are not paid but expenses are covered by the Trust.

The Trust encourages Trustees to refresh and expand their skill-set and will pay for related training. The EA to the Chief Executive circulates training opportunities on a wide variety of topics as they become available and will assist in the registration process.

CODE OF CONDUCT

The purpose of this code of conduct is to provide the Trustees of the Trust for London Trustee (“the Trustees”) with clear guidelines as to their standard of behaviour, responsibilities and best practice in fulfilling their obligations to the Foundation.

For further information on the legal responsibilities of a charity Trustee, refer to *The Essential Trustee: what you need to know, what you need to do (CC3)* published by the Charity Commission.

This code is based on and adapts the Nolan Committee’s ‘Seven Principles of Public Life’.

Selflessness

The Trustees have a general duty to act in the best interests of the Trust for London Trustee and the Charities it administers. They should not do so in order to gain financial or other material benefits for themselves, their family, their friends or their nominating body.

Integrity

The Trustees:

- should not place themselves under any financial or other obligations to outside individuals or organisations that might influence them in the performance of their role;
- as well as avoiding actual impropriety, should avoid any appearance of improper behaviour;
- should avoid accepting gifts and hospitality that might reasonably be thought to influence their judgment.

Objectivity

In carrying out their role, including making appointments (including trustee appointments), awarding contracts, recommending individuals for rewards and

benefits or transacting other business, the Trustees should make their decisions solely on merit.

Accountability

The Trustees are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their role.

Openness

The Trustees:

- Should be as open as possible about all decisions and action that they take. They should give reasons for their decisions and restrict information only when the wider interests of the Trust and any Charities it administers demands;
- Any information of a confidential nature must remain so outside the confines of the Trustee meeting.

Honesty

The Trustees have a duty to declare any interests relating to their Trustee role and to take steps to resolve any conflicts that may arise in a way that protects the interests of the Trust and the Charities it administers.

Leadership

The Trustees:

- should promote and support the principles stated above by leadership and example;
- must respect the role of the Chief Executive. There will be circumstances under which Trustees will be working directly with the Trust for London staff. Guidelines for such working relationships must be clear to both staff and Trustees and, when these occasions arise, the Chief Executive/Chair should be informed in advance.

DECLARATION OF INTERESTS

The declaring of interests by a trustee forms part of a wider code of behaviour expected of trustees in fulfilling their obligations towards the Trust and its beneficiaries. It also forms part of the trustees' compliance with their duties under company and charity law.

Section 6 Act in your charity's best interest of the Charity Commission's booklet "The Essential Trustee" (CC3) says that trustees must always be "acting in the charity's best interests" which "means always doing what the trustees decide will best enable the charity to carry out its purpose." "It's not about serving the interests of trustees or staff."



It is a trustee's duty therefore not to make a financial or other gain from their charity and to avoid conflicts of interest¹, including conflicts of loyalty².

Where trustees are required to make a decision which affects the personal interests of one of their number or a connected person³ then the relevant trustee should not be present at any discussion on the matter (unless invited to remain in order to provide information) and should withdraw during the vote and have no vote on the matter. An example of this would be where a trustee (or his/her family) has a personal financial interest in the outcome of a property decision. The trustee should declare this at the start of the meeting and absent himself or herself from the relevant part of the meeting (unless invited to remain) and should withdraw during the vote and have no vote on the matter.

There are occasions when the trustee has a less direct interest in the outcome of a decision. They may, for example, have an association or relationship with an organisation which is (or indeed might become) an applicant for funds. They (or members of their family) may be a trustee or paid adviser or employee of a charity that is seeking a grant. In this case a declaration of interest would be required from the trustee at the start of the committee meeting of their connection with the organisation. It is then for the non-conflicted trustees to decide what level of participation, if any, is acceptable on the part of the conflicted trustee. In doing so, the non-conflicted trustees must always make their decision only in the best interests of the charity. The non-conflicted trustees may well decide that the conflicted trustee can remain present throughout the discussion and, depending on the degree of involvement and the risk it poses to decision-making in the Trust's interests, may even decide that the conflicted trustee can vote. Alternatively, if the conflict is such that it poses a higher risk to decision-making in the Trust's interests, the conflicted trustee should not participate.

Any declarations of interest arising by virtue of a trustee acting as an officer of one of the Trust's charitable subsidiaries are authorised automatically and need not be separately authorised by the non-conflicted trustees. Once the relevant trustee has declared the interest, he or she need do nothing further.

The above considerations will apply equally to members of staff and to co-opted members of the Trust's committees who are looked to by the trustees for advice and information in their decision making.

¹ A **conflict of interest** is described in the Charity Commission's guidance *CC29 Conflicts of interest: a guide for charity trustees* as "any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the charity".

² A **conflict of loyalty** is described in the same guidance as "a particular type of conflict of interest, in which a trustee's loyalty or duty to another person or organisation could prevent the trustee from making a decision only in the best interests of the charity".

³ **Connected person** is described as "family, relatives or business partners of a trustee, as well as businesses in which a trustee has an interest through ownership or influence. The term includes a trustee's spouse or unmarried or civil partner, children, siblings, grandchildren and grandparents, as well as businesses where a trustee or family member holds at least one-fifth of the shareholding or voting rights."



All declarations made at a meeting will be included in the minutes of that meeting. The file of previous declarations will be available to Trustees for inspection upon request.

Gifts and hospitality

Occasionally trustees or staff may receive a gift or an offer of hospitality arising from their position at the Trust. Any item considered to be of a value of more than £50 is to be recorded and kept on file.

Reporting

An annual summary of gifts and hospitality will be presented to the Finance & Resources Committee for review.

Legal powers and obligations

As company directors and as charity trustees, the trustees are under a legal duty to avoid conflicts of interest, and the identification and declaration of interests forms an important part of compliance with this duty.

The trustees are not permitted to benefit from the Trust unless authorised by the Articles of Association or by the Charity Commission. The legal powers and obligations as regards Benefits to Trustees are laid out in section 7 of the Articles of Association of the Trust.

Further guidance on this subject may be found on the Charity Commission website under:

- "Conflicts of Interest: a guide for charity trustees (CC29)"⁴ which elaborates on how trustees should identify conflicts of interest, prevent them affecting decisions and record them; and

- "Trustee expenses and payments (CC11)".

Last updated June 2016

⁴ This guidance can be seen at <https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29/conflicts-of-interest-a-guide-for-charity-trustees>.