

## CHIPPERFIELD BEQUEST TRUST

Notes for Trustees re Governance

### DEFINITION OF CHARITY

Under the Charities Act 2011, a charity is defined as an institution which is established for charitable purposes. "Charitable purposes" means (insofar as relevant to CBT):

Advancement of education

Advancement of citizenship or community benefit

Advancement of arts, culture, heritage or science

AND is for the public benefit

"public benefit" is not defined by the Act and is left to the Charity Commission and the Courts.

### LEGAL DUTIES OF TRUSTEES

General, under Trust law:

Act gratuitously unless remuneration expressly authorised

No personal benefit

Avoid conflicts of interest

Observe terms of the Trust

Avoid needless expense

Keep proper records

No politics

Act reasonably and prudently

Protect all the charity's assets

Accountable for solvency and effectiveness of charity

Obtain skilled advice as to any investment

Statutory, under statute:

Proper registration

Produce annual accounts

File accounts and returns with Charity Commission

## GOOD GOVERNANCE

The Code prepared for Voluntary and Community Organisations contains the following basic principles:

Trustees must accept ultimate responsibility for directing the affairs of their organisation and setting its strategic direction

Trustees must ensure full compliance of its constitution and all regulatory matters and review regularly its internal controls including review of its risks

Trustees must make most effective use of their time and have a range of skills

Trustees should regularly review its performance as well as the organisation's work. It must have a strategy for its own renewal

Trustees should ensure effective delegation and regularly monitor all delegated activities

Trustees should act according to high ethical standards

Trustees should be open, responsive and accountable to all its stakeholders

## SPECIFIC TO CBT

Trustees must act as such and not as Councillors

Trustees must not use CBT as a means of carrying out the policies or directions of the City Council

Where a possible conflict of interest arises, appropriate advice must be sought from legal advisors or the Charity Commission

In all cases where fundamental decisions are to be made, the views of the Chipperfield Advisory Committee must be sought

The Charities Commission issue a Councillors' Guide on a Council's role as a trustee and have also updated their Guide to Trustees, both of which are worth reading