



Truro and Penwith  
**Academy Trust**

**CODE OF CONDUCT**

**FOR**

**TRUSTEES, LOCAL GOVERNORS**

**AND COMMITTEE MEMBERS**

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## **CODE OF CONDUCT FOR TRUSTEES, LOCAL LOCAL GOVERNORS AND COMMITTEE MEMBERS**

### **1. INTRODUCTION**

- 1.1 This Code is intended as a guide, to indicate the standards of conduct and accountability which are expected of Trustees, Local Governors and Committee Members, and to highlight their legal and ethical duties. This Code is aimed at promoting effective, well informed and accountable governance, and is not intended to be a definitive statement of the law or good practice.
- 1.2 In addition to this Code, Trustees also have responsibilities as charitable trustees (explained in more detail in the Charity Commission publication – *The Essential Trustee: What You Need To Know*). Whilst Local Governors are not legally regarded as charity trustees, they are required to exercise their responsibilities on behalf of the Board in accordance with the SoDA and are expected to comply with this Code of Conduct.
- 1.3 Trustees, Local Governors and Committee Members are recommended to familiarise themselves with other source documents listed in the Schedule.
- 1.4 If a Director, Governor or Committee Member is in doubt about the provisions of this Code or any of the source documents, the Company Secretary should be consulted and, if necessary, professional advice may be obtained. However, ultimate responsibility for the appropriateness of conduct as a Director, Governor or Committee Member and for any act or omission in their capacity as a charity trustee rests with the individual.
- 1.5 By accepting appointment to the Board of Trustees, LGB or Committee, each individual agrees to accept the provisions of this Code.

### **2. INTERPRETATION**

In this Code:-

- 2.1 'Company' or 'Trust' means Truro and Penwith Academy Trust;
- 2.2 'Members' means the subscribers to the Trust's memorandum of association;
- 2.3 'Trustees' or 'Directors' means the company / charity Directors or Trustees of the Truro and Penwith Academy Trust;
- 2.4 'Local Governors' means the members of each company academy Local Governing Body;
- 2.5 'Committee Members' means the individuals appointed to serve on committees established by the Board of Trustees;

- 2.6 'Board' means the Board of Trustees which was established for the purpose of conducting the business of the Company;
- 2.7 'LGB' means the Local Governing Body of a company academy which has delegated powers to act on behalf of the Board;
- 2.8 'Committee' means a committee established by the Board of Trustees;
- 2.9 'Company Secretary' means the company secretary of the Truro and Penwith Academy Trust;
- 2.10 'Clerk' means the Clerk to the LGB.

### **3. OBJECT, PURPOSES AND AIMS**

- 3.1 A charitable trustee must always aim to achieve the charitable objectives and ensure that resources are used only to achieve those objectives. In the case of the Trust, the key object is to advance education for the public benefit by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.
- 3.2 The Vision Statement (Appendix 1) seeks to encapsulate the core purposes and aims of the Trust. Trustees, Local Governors and Committee Members, should have due regard to these purposes and aims and to the object when conducting the business of the Trust and considering the activities and proposed activities of the Trust.
- 3.3 The Company recognises its obligations to all those with whom it and/or the academies have dealings, including students/pupils, employees, suppliers, other educational institutions and the wider community and is committed to ensuring that it conducts its business in accordance with the highest ethical standards as set out in more detail in this Code.

### **4. DUTIES**

- 4.1 Trustees, Local Governors and Committee Members should act with the highest loyalty to the Trust, act in good faith in its best interests. Each Director, Governor and Committee Member should act honestly, diligently and independently. Their actions should promote and protect the good reputation of the Company and command the trust and confidence of those with whom it deals.
- 4.2 Decisions taken by Trustees, Local Governors and Committee Members must not be for any improper purpose or personal motive. Decisions taken must always be for the benefit of the Trust, its students/pupils and staff and the wider community. Accordingly, Trustees, Local Governors and Committee Members must not be bound in their speaking and voting by mandates given to them by

other bodies or persons (including but not limited to the bodies that elected them).

- 4.3 Trustees and Local Governors should act reasonably and prudently to ensure that the Trust or Academy remains solvent and that they monitor the current financial position. They are responsible for the proper stewardship of public funds and ensuring assets are protected and used only in the furtherance of the Trust's objectives. Activities which put the assets or reputation of the Trust or Academy at undue risk should be avoided.
- 4.4 Trustees and Committee Members should comply with the Standing Orders of the Board and its committees to ensure that the business is conducted in an orderly, fair, open and transparent manner. The Board must keep the Standing Orders and committee terms of reference under periodic review.
- 4.5 Members, Trustees, Local Governors and Committee Members should also have regard to the distinction between governance and management and recognise the different, but complementary, responsibilities given to the senior staff of the Trust and Headteachers of the academies. Whereas the Trustees, Local Governors and Committee Members decide strategic policy, overall direction and hold the senior staff of the Trust and the Headteachers to account, the role of the senior staff of the Trust and the Headteachers is to implement the Board's decisions and to manage the Trust's day-to-day affairs within the budgets and framework fixed by the Board and in accordance with the Scheme of Delegated Authority (SoDA).
- 4.6 The Articles of Association set out the eligibility criteria for the appointment of Trustees who have a duty to immediately notify the Company Secretary should they no longer remain eligible to hold office.
- 4.7 Trustees, Local Governors and Committee Members should refer to the Company Secretary for procedural advice regarding governance functions and have regard to the Company Secretary's independent advisory role.

## **5. ACCOUNTABILITY**

- 5.1 The Academies Financial Handbook sets out the duties and obligations of Trusts which have a funding agreement with the Secretary of State for Education. Trustees, Local Governors and Committee Members are responsible for observing the duties set out in the Financial Handbook and the Funding Agreement. A summary of the key areas covered by the Financial Handbook are set out in Appendix 2.
- 5.2 Although the Education Funding Agency (EFA) is the main provider of funds to the Trust, Trustees, Local Governors and Committee Members should note that they are also responsible for the proper use of income derived from any other

sources and for the control and monitoring of expenditure of such income, in order to meet the requirements of the relevant funding body and public audit.

- 5.3 The Principal of Truro and Penwith College is Accounting Officer for the Trust and is personally responsible to Parliament, through the Committee of Public Accounts. He is responsible for the effective stewardship by the Trust of public funds in accordance with the law, the Articles of Association and the Financial Handbook by ensuring regularity, propriety and value for money.

## **6. PUBLIC SERVICE VALUES**

- 6.1 Public service values and high standards of conduct, based on the principles set out in Appendices 3 and 4, together with a recognition that students/pupils and other users of the Trust's services come first, are a requirement of being Director, Governor or Committee Member, and should underpin all decision-making.

## **7. SKILL, CARE AND DILIGENCE**

- 7.1 Each Director, Local Governor and Committee Member should exercise such skill as he or she possesses and such care and diligence as would be expected from a reasonable person in the circumstances. They should be well informed about the Trust or Academy and use their personal knowledge and experience to ensure the Trust is well run and efficient. They should consider taking external professional advice on any matters where there may be a material risk to the Trust.

## **8. POWERS**

- 8.1 Trustees, Local Governors and Committee Members are responsible for taking decisions which are within the powers set out in the Articles of Association, the SoDA and terms of reference. This is particularly relevant when functions are delegated to an LGB or committee. A summary of those powers is set out in Appendix 5. The Board can delegate responsibilities to committees or LGBs although the Trustees remain collectively responsible in law for all decisions.
- 8.2 If an individual thinks that the Board, the LGB or a committee is likely to exceed its powers by taking a particular decision, he or she should immediately refer the matter to the Company Secretary for advice.

## **9. CONFLICTS OF INTEREST AND CONFLICTS OF LOYALTY**

- 9.1 Trustees, Local Governors and Committee Members should seek to avoid putting themselves in a position where there is an actual or potential conflict between their personal interests and their duties to the Trust or where a conflict might be seen to arise. They should not allow any conflict of interest or conflict of loyalty

to arise which might interfere with the exercise of their independent judgement. Further guidance is provided in the Charity Commission publication – *Conflicts of Interest: A Guide for Charity Trustees*.

9.2 Trustees, Local Governors and Committee Members are reminded that under the Articles of Association and the general law they have a personal responsibility to disclose any direct or indirect financial or other interest they have, or may have, in the supply of work to the Trust or the supply of goods for the purposes of the Trust, or in any contract, or any other matter relating to the Trust or a company academy.

9.3 If an interest of any kind (including an interest of a spouse, partner, close relative or a person connected to a Director, Governor or Committee Member) is likely or would, if publicly known, be perceived as being likely to interfere with the exercise of an individual's independent judgement, then:-

9.3.1 the interest, financial or otherwise, should be reported to the Company Secretary or Clerk;

9.3.2 the nature and extent of the interest should be fully disclosed to the Board, the LGB or Committee before the matter giving rise to the interest is considered;

9.3.3 if the individual concerned is present at a meeting of the Board, LGB or Committee, at which such supply, contract or other matter constituting the interest is to be considered, he or she should:-

(a) not take part in the consideration or vote on any question with respect to it and shall not be counted in the quorum for that meeting; and

(b) withdraw from that meeting where required to do so by a majority of the Trustees, Local Governors or Committee Members present at the meeting.

9.4 The Company Secretary will maintain a Register of Interests which will be open for public inspection. Trustees, Local Governors and Committee Members must disclose routinely to the Board or LGB, as appropriate, all business and personal interests, financial or otherwise, which they, or a connected person, may have and should inform the Company Secretary whenever their circumstances change and interests are acquired or lost.

## **10. TRUSTEE BENEFIT**

10.1 Trustees, Local Governors and Committee Members may not receive a benefit from the Trust, directly or indirectly, unless the correct processes have been

followed and they have adequate legal authority to do so in accordance with the Articles of Association.

- 10.2 Where it is proposed that the Board should grant a member a financial interest (such as a contract for the supply of goods or services) the requirements of the Charities Act 2011 and the Articles of Association must be fully observed. An extract from the Articles of Association is attached as Appendix 6.

## **11. GIFTS AND HOSPITALITY**

- 11.1 Trustees, Local Governors and Committee Members must not receive gifts, hospitality or benefits of any kind from a third party which might be in breach of the Bribery Act 2010 and the Trust's policy on gifts and hospitality or be seen to compromise their personal judgement or integrity. Any offer or receipt of such gifts, hospitality or benefits should immediately be reported to the Company Secretary. The gifts and hospitality policy is set out at Appendix 7.

## **12. COLLECTIVE RESPONSIBILITY**

- 12.1 The Board, LGBs and committees operate by taking majority decisions in a corporate manner at quorate meetings. Therefore, a decision, even when it is not unanimous, is a decision taken by the Board, LGB or committee collectively and each individual has a duty to stand by it, whether or not he or she was present at the meeting when the decision was taken and whether or not he or she voted for or against the proposal.
- 12.2 If a Director, Local Governor or Committee Member disagrees with a decision taken, his or her first duty is to have any disagreement discussed and minuted. If the individual strongly disagrees, he or she should consult the Chair and, if necessary, then raise the matter with the Board, LGB or committee when it next meets. If no meeting is scheduled, the individual may refer to the powers to call a special meeting and, if appropriate, exercise it, requesting the Company Secretary to circulate their comments in advance of the special meeting. Alternatively, as a final resort, the individual may decide to offer his or her resignation from office, after consulting the Chair.

## **13. OPENNESS AND CONFIDENTIALITY**

- 13.1 Because of the Trust's public accountability and the importance of conducting its business openly and transparently, the Board, LGB and committees should ensure that, as a general principle, students/pupils, staff and parents of the Trust have free access to information about the proceedings of meetings. Accordingly, agendas, minutes and other papers will normally be made available for public inspection when they have been approved for publication by the Chair.



- 13.2 There will be occasions when the record of discussions and decisions will not be made available for public inspection; for example, when named individuals, sensitive issues or commercial transactions are considered. Such excluded items will be circulated in confidence to relevant Trustees, Local Governors and Committee Members.
- 13.3 Some confidential items are likely to be of a sensitive nature for a certain period of time only (for example information relating to a proposed commercial transaction). Where possible, the Board, LBG or committee should specify how long such items should be treated as confidential or, if this is not possible, such items should be regularly reviewed to consider whether the confidential status should be removed or whether the public interest in disclosure outweighs that confidential status and the item made available for public inspection.
- 13.4 Staff and parent Local Governors have no right of access to minutes dealing with matters in respect of which they are required to withdraw from meetings under the Trust's Articles of Association and Standing Orders.
- 13.5 It is important that the Board, LGBs and committees have full and frank discussions in order to take decisions collectively. To do so, there must be trust between those involved with a shared corporate responsibility for decisions. Trustees, Local Governors and Committee Members should keep confidential any matter which, by reason of its nature, the Board, LGB or committee has agreed should be dealt with on a confidential basis.
- 13.6 Trustees, Local Governors and Committee Members should not make statements to the press or media or at any public meeting relating to the proceedings of the Board, LGB or committee without first having discussed the issue and sought approval from the Chair of the Board of Trustees or, in his or her absence, the Vice Chair. It is unethical for individuals publicly to criticise, canvass or reveal the views of other Trustees, Local Governors and Committee Members which have been expressed at meetings.

#### **14. ATTENDANCE AT MEETINGS**

- 14.1 A high level of attendance at meetings is expected so that Trustees, Local Governors and Committee Members can perform their functions properly.
- 14.2 Members are expected to notify the Company Secretary of any extended period (of a month or more) when they will be absent and unable to fulfil their duties. A sabbatical period may be approved by the Board, if appropriate.

#### **15. EXPENSES**

- 15.1 The role of Director, Governor or Committee Member is an unpaid voluntary role and payment is subject to specific legal restrictions. However, the reimbursement of out of pocket expenses incurred in connection with their duties as a Director, Local Governor or Committee Member is allowed. The reimbursement of expenses may be claimed in accordance with the Trust's expenses policy, provided those expenses are not being paid by any other party, such as an employer. The Decision about whether or not to claim is left to the discretion of individuals. Queries about expense claims should be discussed with the Company Secretary or Clerk. The expenses policy is set out in Appendix 8.

## **16. GOVERNANCE DEVELOPMENT AND SUPPORT**

- 16.1 The Trust shall seek to ensure that all Trustees, Local Governors and Committee Members are appointed on merit, in accordance with an open selection procedure and are drawn widely from the community which the Trust serves so as to be representative of that community. The Trust shall have regard to the Articles of Association, the need to combat discrimination and to promote equality, and the need to make available a range of necessary skills and experience to ensure that the Trust carries out its functions properly.
- 16.2 Trustees, Local Governors and Committee Members must obtain a thorough grounding in their duties and responsibilities by participating in any induction workshops, training programmes and refresher events.
- 16.3 Trustees, Local Governors and Committee Members are invited to identify any training or development needs and where additional support has been requested, the Trust will take all reasonable steps to offer relevant training and support.

## **17. BREACHES OF THE CODE OF CONDUCT**

- 17.1 If there is an alleged breach of this Code by any Director, Governor or Committee Member, the Chair of the Board of Trustees will consider the process, determine whether a breach has taken place and propose appropriate action to the Board. If the alleged breach involves the Chair, the Vice-Chair will deal with the alleged breach.
- 17.2 A serious breach of the Code of Conduct may result in the removal of a Director, Governor or Committee Member.

## **16. MONITORING AND REVIEW**

- 16.1 This Code of Conduct will be monitored by the Board of Trustees and reviewed every four years.

## **SCHEDULE - List of source documents**

- 1.** the Trust's Articles of Association;
- 2.** the Standing Orders of the Board of Trustees and its committees;
- 3.** the Funding Agreement entered into by the Trust with the ESFA;
- 4.** the Academies Financial Handbook;
- 5.** the Trust's Mission Statement;
- 6.** the Trust's policies on gifts and hospitality and on expenses;
- 7.** the principles laid down by the Committee on Standards in Public Life (Nolan Committee) and the Good Governance Standard for Public Services published by the Independent Commission on Good Governance in Public Services
- 8.** the Charity Commission guidance set out in *The Essential Trustee: What you Need to Know* and in *Conflicts of interest: A Guide for Charity Trustees*
- 9.** the information set out in the following Appendices.

## **APPENDIX 1 - VISION STATEMENT [updated from May 2018 SODA]**

Our vision is to improve the life chances for all children and young people in our Academies.

In order to achieve this, we will:

- recognise and encourage local distinctiveness and individuality
- inspire our Academies to become beacons of aspiration in the communities they serve
- focus on improving learning and teaching for all – to enable all children and young people to have the best possible learning experience, leading to the highest levels of achievement
- work in partnership with the Cornwall Teaching School and our associates to provide bespoke support and improvement activities of the highest quality in our Academies
- work with our Academies to facilitate partnership working and enable all staff to receive high quality development opportunities
- build on Truro and Penwith College's example in high quality leadership and governance and benefit from the expertise of the College to promote excellence in all aspects of education
- support our Academies to be financially sustainable and to retain reserves
- acknowledge the diverse nature of the communities our Academies serve and encourage their full engagement in helping local Academies achieve outstanding outcomes for their students
- be an employer of choice – valuing the skills, contribution and expertise of all employees.

## **APPENDIX 2**

### **Key provisions of the Academies Financial Handbook**

#### **The Trust is required to:**

- ensure that Trustees and managers have the skills, knowledge and experience to run the Trust and exercise appropriate financial oversight
- prepare financial plans so as to secure the Trust's short-term and long-term financial health including producing a balanced budget approved by the Board of Trustees
- have in place a sound internal control framework and risk management processes to ensure the regularity and propriety of financial transactions and adequate assessment and management of risks
- ensure Trustees and managers monitor the Trust's current and forecast financial position, regularly reviewing management accounts and checking that public funds are spent prudently
- show that public funds have been used appropriately by ensuring appropriate conflict of interest, competitive tendering and value for money policies are in place and that Trustees, Local Governors, employees or connected parties do not gain from their position by receiving payments under preferential terms
- ensure appropriate accounting policies, audit arrangements and external scrutiny to satisfy regulatory requirements and to provide openness and transparency in relation to the use of public funds.

## **APPENDIX 3**

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

The following is an extract from the Second Report of the Nolan Committee on Standards in Public Life, May 1996

#### **SELFLESSNESS**

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material 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 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.

## APPENDIX 4

### Six Core Principles of Good Governance

The following is an extract from the Good Governance Standard for Public Services published by the Independent Commission on Good Governance in Public Services, January 2005

**1. Good governance means focusing on the organisation's purposes and on outcomes for citizens and service users**

- 1.1 Being clear about the organisation's purposes and its intended outcomes for citizens and service users;
- 1.2 Making sure that users receive a high quality service;
- 1.3 Making sure that taxpayers receive value for money.

**2. Good governance means performing effectively in clearly defined functions and roles**

- 2.1 Being clear about the functions of the governing body;
- 2.2 Being clear about the responsibilities of the non-executives and the executive, and making sure that those responsibilities are carried out;
- 2.3 Being clear about relationships between the Local Governors and the public.

**3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour**

- 3.1 Putting organisational values into practice;
- 3.2 Individual Local Governors behaving in ways that uphold and exemplify effective governance.

**4. Good Governance means taking informed, transparent decisions and managing risk**

- 4.1 Being rigorous and transparent about how decisions are taken;
- 4.2 Having and using good quality information, advice and support;
- 4.3 Making sure that an effective risk management systems is in operation.

**5. Good governance means developing the capacity and capability of the governing body to be effective**

- 5.1 Making sure that appointed and elected Local Governors have the skills, knowledge and experience they need to perform well;
- 5.2 Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group;
- 5.3 Striking a balance, in the membership of the governing body, between continuity and renewal.

**6. Good governance means engaging stakeholders and making accountability real**

- 6.1 Understanding formal and informal accountability relationships;
- 6.2 Taking an active and planned approach to dialogue with accountability to the public;
- 6.3 Taking an active and planned approach to responsibility to staff;
- 6.4 Engaging effectively with institutional stakeholders.



## **APPENDIX 5**

### **Summary of Main Powers of the Local Governing Bodies set out in the Scheme of Delegated Authority (SoDA)**

The SoDA delegates responsibility to the LGB for a range of functions. To reflect the differing levels of support and earned autonomy, company academies are divided into two levels. Level 1 academies will have greater responsibility and autonomy.

#### **The main powers of the LGB include:**

- organising the work of the LBG and electing the Vice-Chair
- establishing sub-committees with clear terms of reference and responsibilities
- entering into contracts and committing to expenditure within specified financial limits
- developing and proposing the annual budget for approval by the Board of Trustees
- planning, managing and expending funds in accordance with the annual budget set by the Board of Trustees
- ensuring that proper financial procedures and risk management strategies are in place and that the requirements of the Academies Financial Handbook and any other relevant regulations are observed at all times
- providing data and information to the Board as often and in such format as required by the Trustees
- managing any non-grant funds or restricted funds raised by the LGB for the purposes for which they were intended
- ensuring the routine maintenance of buildings and facilities with due regard to health and safety considerations
- notifying the Board of Trustees of any occurrence of an event in respect of which insurance has been obtained
- taking part in the Headteacher selection and appointment process and working with the Board in relation to the annual performance review, pay and progression of the Headteacher
- selecting and appointing the Deputy Headteacher and other teaching and non-teaching staff
- implementing disciplinary and capability procedures for staff
- setting and reviewing the curriculum, taking account of the views of the Board of Trustees
- monitoring and reviewing the quality and standards of the Academy and pupil achievement
- reviewing the admissions policy and recommending any changes for approval by the Board of Trustees
- implementing appropriate safeguarding policies and procedures and notifying the Chair of the Board of Trustees of any serious safeguarding issues.

## **APPENDIX 6**

### **Extract from the Articles of Association concerning trustee benefits**

6.6 No Director / Trustee may:

- (a) buy any goods or services from the Company;
- (b) sell goods, services, or any interest in land to the Company;
- (c) be employed by, or receive any remuneration from the Company (other than the Chief Executive Officer whose employment and/or remuneration is subject to Article 6.8);
- (d) receive any other financial benefit from the Company unless:
  - (i) the payment is permitted by Article 6.7 and the Trustees follow the procedure and observe the conditions set out in Article 6.8; or
  - (ii) the Trustees obtain the prior written approval of the Charity Commission and fully comply with any procedures it prescribes.

6.7 Subject to Article 6.8, a Director / Trustee may:

- (a) receive a benefit from the Company in the capacity of a beneficiary of the Company.
- (b) be employed by the Company or enter into a contract for the supply of goods or services to the Company, other than for acting as a Director.
- (c) receive interest on money lent to the Company at a reasonable and proper rate not exceeding 2% per annum below the base rate of a clearing bank to be selected by the Trustees, or 0.5%, whichever is the higher.
- (d) receive rent for premises let by the Director to the Company if the amount of the rent and the other terms of the lease are reasonable and proper.

6.8 The Company and its Trustees may only rely upon the authority provided by Article 6.7 if each of the following conditions is satisfied:

- (a) the remuneration or other sums paid to the Director do not exceed an amount that is reasonable in all the circumstances.
- (b) the Director is absent from the part of any meeting at which there is discussion of:
  - (i) his or her employment, remuneration, or any matter concerning the contract, payment or benefit; or
  - (ii) his or her performance in the employment, or his or her performance of the contract; or
  - (iii) any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under Article 6.7; or
  - (iv) any other matter relating to a payment or any benefit permitted by Article 6.7.
- (c) the Director does not vote on any such matter and is not to be counted when calculating whether a quorum of Trustees is present at the meeting.
- (d) save in relation to employing or contracting with the Chief Executive Officer the other Trustees are satisfied that it is in the interests of the Company to employ or to contract with that Director rather than with someone who is not a Director. In reaching that decision the Trustees must balance the advantage of employing a Director against the disadvantage of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest).
- (e) the reason for their decision is recorded by the Trustees in the minute book.
- (f) a majority of the Trustees then in office have received no such payments or benefit.

## **APPENDIX 7**

### **Gifts and Hospitality Policy**

- 1.** This policy is not intended to prohibit appropriate corporate entertainment and/or hospitality undertaken in connection with the Trust's business activities, provided the activity is customary under the circumstances, is proportionate, and is properly disclosed and recorded.
- 2.** Trustees, Local Governors, Committee Members and staff may accept isolated, trivial or seasonal gifts, working lunches and offers of conventional hospitality provided that they are considered reasonable in the circumstances and that they do not exceed a cash value of £25.00.
- 3.** To maintain standards of openness and transparency it is essential that gifts and hospitality received by Trustees, Local Governors, Committee Members are appropriately reported and recorded. For this purpose, all individual gifts or hospitality, (whether they are accepted or declined), exceeding a value of £25 (or cumulatively exceeding £50 over a 12 month period) should be declared by completion of the Register of Gifts and Hospitality.
- 4.** Trustees, Local Governors, Committee Members and staff must never accept gifts for either doing or not doing something, including where there is a risk that accepting a gift could be reasonably perceived as influencing the impartiality of decision making.
- 5.** Trustees, Local Governors, Committee Members and staff must never accept gifts of cash.
- 6.** The Chair of the Board of Trustees should also be notified as soon as practicably possible of any individual gift or hospitality of significant value (eg. exceeding £250).
- 7.** Entries in the Register will be reviewed annually by the Chair of the Board of Trustees.
- 8.** The Register of declarations will be maintained by the Trust's Business Manager and made available for inspection on request.

## **APPENDIX 8**

### **Policy on the Payment of Expenses to Trustees, Local Governors and Committee Members**

#### **1. Introduction**

Trustees, Local Governors and Committee Members may claim reimbursement of expenses for the following activities, provided those expenses are not being paid by any other party (such as an employer). Claims for any other expenses or queries about allowances should be discussed with the Company Secretary or Clerk to the LGB.

#### **2. Allowances**

##### **Travel**

Travel expenses to and from meetings, training events or other Trust business may be claimed. The mileage rate for the use of private vehicles will be paid at the rate of 40p/mile for travel undertaken within the County. Travel outside the County will be paid at the rate of 26p/mile. Alternatively, the cost of the second class rail fare will be reimbursed for train journeys. With the prior approval of the Chair or Vice-Chair of the Board of Trustees, the cost of air travel may be claimed where this is more cost effective or appropriate in terms of time saved.

##### **Subsistence**

Where Trustees, Local Governors or Committee Members are required to attend events at locations other than Trust premises the payment of overnight accommodation and other subsistence allowances may be claimed for actual expenditure incurred up to the maximum limits, currently:

Breakfast (departure before 7.00am)	£8.85
Lunch	£10.20
Evening meal	£15.00
Commercial Accommodation	£100.00
Overnight rate (staying with friends/relatives)	£19.00

##### **Training Events**

With prior approval, the Trust may meet the costs of approved training courses and conferences attended by Trustees, Local Governors and Committee Members.

##### **Childcare and Dependant Relatives**

The cost of engaging a non-family member to care for a child or dependant relative may be claimed for periods of absence on Trust business.

##### **Administration**

Reasonable expenditure on postage, telephone calls, broadband, stationery, photocopying and similar expenses incurred in relation to Trust business will be reimbursed.

##### **Additional Costs**

Any reasonable additional costs incurred due to a disability or health condition may be reimbursed.

### **3. Claims**

Claims for expenses must be made on an expense claim form and supported by appropriate invoices and receipts. Forms are available from the Trust Business Manager, Company Secretary or Clerk to the LGB and should be submitted to the Business Manager after completion.

### **4. Reporting**

The Company Secretary will report annually to the Board of Trustees on the total expended to Trustees, Local Governors and Committee Members under these arrangements.