



The Haslemere Penny Ha'penny Trust.
c/o The Town Hall, High Street, Haslemere. GU27 2HG
Charity Registration No:1169411
Email: admin@thehpht.org.uk

Code of Conduct for Trustees

1 Selflessness

1.1 Trustees of Haslemere Penny Ha'penny Trust [HPHT] have a general duty to act in the best interests of HPHT. They should not do so in order to gain financial or other material or personal benefits for themselves, their family, their friends or the organisation they come from or represent.

2 Integrity

HPHT's trustees:

2.1 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 role;

2.2 should avoid impropriety and any appearance of improper behaviour;

2.3 should avoid accepting gifts and hospitality that could reasonably be calculated to influence their judgement.

3 Objectivity

In carrying out their role, making appointments (including those of trustees), awarding contracts, recommending individuals for rewards and benefits or transacting other business, HPHT's trustees should ensure that decisions are made on merit and ability.

4 Accountability

HPHT's trustees:

4.1 have a duty to comply with the law at all times in accordance with the trust placed in them and in such a way as to preserve public confidence in HPHT; 4.2 are accountable for their decisions and actions to the public, funders and service users. They must submit themselves to what scrutiny is appropriate to their role.

5 Openness

HPHT's trustees :

5.1 should ensure that confidential material, including information about individuals, is handled with due care according to GDPR compliance;

5.2 should as far as possible be open about the decisions and actions that they take and restrict information only when the interest of HPHT clearly demands it.

6 Leadership

HPHT's trustees:

6.1 should promote and support the principles of leadership by example;

7 Conflicts of Interest

HPHT's trustees:

7.1 have a duty to declare any interest affecting their trustee role and to take steps to resolve any conflict that may arise. Where a private interest of a trustee conflicts with their trusteeship, he / she must resolve this conflict in favour of the trustee role;

7.2 must make relevant declaration of interest in the different circumstances and roles they serve either within or outside HPHT.

7.3 If a trustee has any interest in the matter under discussion which creates a real danger of bias, that is, the interest affects him / her, or a member of his / her household, more than the generality affected by the decision, he / she should declare the nature of the interest and withdraw from the room, unless he / she has a dispensation to speak.

7.4 If a trustee has any other interest which does not create a real danger of bias, but which might reasonably cause others to think it could influence their decision, he / she should declare the nature of that interest but may participate in the discussion and vote if he / she wishes.

7.5 If in any doubt about the application of these rules, a trustee should consult with the Chairma

8 Information to be Given to a New Trustee

- The governing document i.e. Memorandum and Articles of Association.
- Code of Conduct for Trustees
- Trustee Declaration to be signed.

Trustee Declaration

I declare that:

- I am over age 18.
- I am not an undischarged bankrupt.
- I have not previously been removed from trusteeship of a charity by a Court or the Charity Commission.
- I am not under a disqualification order under the Company Directors' Disqualification Act.
- I am, in the light of the above, not disqualified by the Charities Act 1993 (Section 72) from acting as a charity trustee.
- I undertake to fulfil my responsibilities and duties as a trustee of HPHT in good faith and in accordance with the law and within HPHT's objectives.
- I do not have any financial interests in conflict with those of HPHT (either in person or through family or business connections) except those which I have formally notified in a conflict of interest written statement. I will specifically notify any such interest at any meeting where trustees are required to make a decision which affects my personal interests, and will absent myself entirely from any debate and decision on the matter and not vote on it.

Signed [Name of trustee]

Date

Appendix to Trustees Code of Conduct

Excerpt from Publication by Charity Commission (Leaflet CC3)

Trustee duties at a glance

This section summarizes the main duties and responsibilities of charity trustees. Again, it is not a legal document, but sets out the legal principles in everyday language. The headings on this page are also used for sections of the more detailed guidance that follows.

Trustees and their responsibilities

Charity trustees are the people who serve on the governing body of a charity. They may be known as trustees, directors, board members, governors or committee members. The principles and main duties are the same in all cases.

(1) Trustees have and must accept ultimate responsibility for directing the affairs of a charity, and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up.

Compliance - Trustees must:

(2) Ensure that the charity complies with charity law, and with the requirements of the Charity Commission as regulator; in particular ensure that the charity prepares reports on what it has achieved and Annual Returns and accounts as required by law.

(3) Ensure that the charity does not breach any of the requirements or rules set out in its governing document and that it remains true to the charitable purpose and objects set out there.

(4) Comply with the requirements of other legislation and other regulators (if any) which govern the activities of the charity.

(5) Act with integrity, and avoid any personal conflicts of interest or misuse of charity funds or assets.

Duty of prudence - Trustees must:

(6) Ensure that the charity is and will remain solvent.

(7) Use charitable funds and assets reasonably, and only in furtherance of the charity's objects.

(8) Avoid undertaking activities that might place the charity's endowment, funds, assets or reputation at undue risk.

(9) Take special care when investing the funds of the charity, or borrowing funds for the charity to use.

Duty of care - Trustees must:

(10) Use reasonable care and skill in their work as trustees, using their personal skills and experience as needed to ensure that the charity is well-run and efficient.

(11) Consider getting external professional advice on all matters where there may be material risk to the charity, or where the trustees may be in breach of their duties.

If things go wrong

The Charity Commission offers guidance to charities on both legal requirements and best practice to help them operate as effectively as possible and to prevent problems arising. In the few cases where serious problems have occurred we have wide powers to look into them and put things right. Trustees may also be personally liable for any debts or losses that the charity faces as a result. This will depend on the circumstances and the type of governing document for the charity. However, personal liability of this kind is rare, and trustees who have followed the requirements on this page will generally be protected.

E Trustees and their responsibilities

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Trustees have, and must accept, ultimate responsibility for directing the affairs of a charity, and ensuring that it is solvent, well-run, and meeting the needs for which it has been set up.

E1. What should I do before I become a trustee?

The short answer

You should take all reasonable steps to find out as much as you can about the charity, and about what will be expected of you as a trustee.

In more detail

Finding out more: Before you become a trustee, you should learn as much as you can about the charity, and what being a trustee will mean for you. For instance, for an existing larger charity, we advise you to read Annual Reports, important policies and the annual accounts; we also advise that you meet existing trustees, senior staff and perhaps some of the people who benefit from the charity's work. Some charities may also invite you to sit in on a trustee meeting as an observer before you formally join. You may wish to find out what training and support the charity offers its trustees.

The governing document: You should also get a copy of the charity's governing document, and read it. It will probably be a dry legal document, but it is the charity's main constitutional document, and governs key aspects of the charity's work. If it isn't clear what it means, then one of the existing trustees or the charity's Secretary should explain it to you.

E2. Trustees and directors - what's the difference?

The short answer

Although there are many names for trustees, their central responsibilities are the same in all cases.

However, there are two main types of charity - unincorporated and incorporated. The exact legal position of trustees is slightly different in each.

In more detail

'Unincorporated charities': These may be 'trusts' or 'associations'. Their governing document will usually be a trust deed or a constitution or a Scheme of the Charity Commission. In an unincorporated charity, the property of the charity is usually held by the trustees or their nominees.

'Incorporated charities': Most of these are charitable companies registered with Companies House as well as the Charity Commission. Here, the company is a legal entity in its own right, and the trustees are the directors of the company. You can get more information about the role and responsibilities of company directors from Companies House. Contact details for Companies House are in [section J](#). There are also other types of special incorporated charities e.g. charities incorporated by Royal Charter or by statute. These are not regulated by Companies House.

Your position: Before you become a trustee, you should find out whether your charity is incorporated or not, as this will affect your legal position and responsibilities. In this guidance we have stated where differences occur, but have not described them in detail. You will find more in our other publications on particular subjects.

E3. Am I eligible to become a trustee?

The short answer

Most people over 18 years of age can become trustees, but a few are not eligible. People aged 16 and over can be trustees of a charitable company, but cannot be trustees of an unincorporated charity.

In more detail

Ineligible people: Those who have already been disqualified as company directors and those who have been convicted of an offence involving dishonesty or deception are some of the people who cannot usually become trustees. In some cases, people who receive benefits from the charity may also be ineligible. Full details are in our guidance [Finding New Trustees: What charities need to know \(CC30\)](#) and [Users on Board: Beneficiaries who become trustees \(CC24\)](#).

E4. Who appoints new trustees?

The short answer

Usually, the charity's governing document sets out how trustees are to be appointed - this varies according to the particular charity. In other cases the position can be more complicated, and the trustees may need to contact us to help make a new appointment. All trustees, however appointed, must act in the charity's interests, and must not represent the interests of any outside organization or their own personal interests.

In more detail

Appointment methods: In many cases the charity's governing document says how trustees are to be appointed. It may say that some people are to be trustees because of an office which they hold (known as ex officio trustees); common examples are the mayor of a town or the head teacher of a school. Sometimes a named person or organization is given the right to appoint new trustees. For an

organization with a wider membership, the members usually appoint some or all of the trustees in an annual election.

Existing trustees: If the governing document does not say anything about another method of appointment, then the existing trustees of an unincorporated charity may appoint new trustees. You must follow the procedure set out in the governing document where possible.

If there are problems: If it is not possible to appoint new trustees, for example because there is no person with the right to appoint them, the charity must tell us. We have the power to appoint new trustees in those circumstances. Again, detailed information is in [Finding New Trustees: What Charities Need to Know \(CC30\)](#).

E5. How long does the appointment of a trustee last?

The short answer

If the governing document does not specify the length of service of a trustee, the appointment continues until the trustee dies, resigns or is removed from office.

In more detail

Set terms: In some cases the governing document will say that trustees are to serve for a given period, usually a set number of years. We regard having a set term for trusteeship as best practice.

Reappointment: A trustee whose term of office has expired can be appointed for a further term of office, unless the governing document prohibits it. This should be checked before any reappointment.

E6. Can a trustee resign?

The short answer

Yes - it is usually straightforward for a trustee to resign. But in some situations, especially with unincorporated charities, it is important to check the charity's governing document carefully. Sometimes legal advice will be needed to ensure that things are done properly.

In more detail

Incorporated charities: It is generally straightforward for a trustee of an incorporated charity to resign, unless the number of trustees would then drop below the minimum set out in the governing document. In such cases, a new trustee must first be appointed to replace the outgoing one. In all cases the charity should check the terms of the governing document.

Unincorporated charities: In the case of an unincorporated charity, the situation can be more complicated. As above, any resignation must be handled as set out in the governing document. If the governing document does not say anything about this, a legal framework is set out (in the Trustee Act 1925), for how trustees may deal with the situation. Trustees should get proper advice to ensure they act correctly.

Title deeds to land: If the resigning trustee's name appears on the title deeds to land owned by the charity, then this must be changed, following a set legal procedure. Again, trustees should obtain proper advice to ensure this is done properly.

E7. Can trustees delegate their responsibilities?

The short answer

Trustees can generally delegate certain powers to agents or employees, but will and must always retain the ultimate responsibility for running the charity.

In more detail

Delegation powers: Trustees always have the ultimate responsibility for running their charity. But they generally have the power to delegate certain powers to agents, subject to their governing document, and any relevant legislation. The Trustee Act 2000 says that trustees of unincorporated charities can delegate:

- carrying out a decision that the trustees have taken;
- the investment of assets, including land subject to the trust;
- raising funds for the trust other than by the profits of trade which is an integral part of carrying out the trust's charitable purposes; or
- any other function prescribed by an order made by the relevant Secretary of State.

Dealing with third parties: Someone acting as a delegate or agent of the trustees should always make clear in dealings with third parties that they are acting in that capacity (particularly if they are not an employee of the charity), and should always record in writing what was agreed in the conversation.

E8. How do trustees make decisions?

The short answer

All decisions by the trustees concerning a charity are taken by all the trustees, acting collectively and as a team. However, the decisions need not be unanimous; a majority decision is sufficient unless the charity's governing document states otherwise.

In more detail

Collective responsibility: Subject to any power of delegation there is a general rule that trustees must take personal responsibility for their decisions, and that all decisions concerning the charity must be taken by the trustees acting together.

Setting up groups or committees: Trustees can always invite some of their number to look into particular matters and make recommendations. The decision whether or not to act on the recommendations is for the trustees to take together. In some cases the governing document of a charity may permit the trustees to set up committees with delegated powers to carry out particular functions.

Delegating to employees: The trustees of some charities may need to delegate decisions on day-to-day management matters to employees. In these cases the scope of the authority should be clearly laid down in writing and instructions given for decisions on important matters to be reported to the trustees. Trustees should establish proper reporting procedures and clear lines of accountability. Information and guidance for trustees who employ staff is provided by a number of organizations, including the National Council for Voluntary Organizations (NCVO) and the National Association for Voluntary and Community Action (NAVCA).

E9. What do the Chair and Treasurer do?

The short answer

Some trustees are known as 'officers' and have special responsibilities. These include the Chair, Treasurer, and in some cases there may also be other designated officers.

In more detail

Special responsibilities: The Treasurer and the Chair of the charity will have wider responsibilities than other trustees. For instance, the Treasurer will ensure that proper accounts are kept, and help set financial and investment policies. The Chair, as well as helping to plan and chair trustee meetings, may also represent the charity at appropriate events. However, when it comes to making decisions about the charity, the trustees must take them together.

A number of organizations, including the Institute of Chartered Secretaries Administrators (ICSA), provide model job descriptions for Chairs and Treasurers.

E10. Can a charity's property be held by someone other than the trustees?

The short answer

The trustees of unincorporated charities may find it convenient for the title to land owned by the charity to be held by the Official Custodian for Charities or by a custodian trustee or a holding trustee. Trustees also have a power to appoint a nominee to hold the title. Whether and how they do this depends on the charity's governing document and the law.

In more detail

Reasons for appointing a corporate body to hold title: If the trustees hold the title to the charity's property this can lead to practical difficulties, particularly where the trustees change regularly. It can be more convenient to hold the property titles in the name of a corporate body, whose identity never or rarely changes. This must be done only with proper legal authority and trustees should seek legal advice, especially before doing so for the first time.

Making the appointment: To appoint a corporate body in this way, a charity must follow its own governing document, and also comply with relevant legislation. Three Acts of Parliament apply in different situations (the Public Trustee Act 1906, the Trustee Act 2000 and the Charities Act). We may also give powers to appoint nominees. You can get more details in [Appointing Nominees and Custodians: Guidance under S.19\(4\) of the Trustee Act 2000 \(CC42\)](#).

F Compliance

Trustees must:

- ensure that the charity complies with charity law, and with the requirements of the Charity Commission as regulator; in particular ensure that the charity prepares reports, Annual Returns and accounts as required by law
- ensure that the charity does not breach any of the requirements or rules set out in its governing document and remains true to the charitable purpose and objects set out there

- comply with the requirements of other legislation and regulators which govern the activities of the charity
- act with integrity, and avoid any personal conflicts of interest or misuse of charity funds or assets

F1. Do all trustees have to follow the same set of principles?

The short answer

The principles of trusteeship are set out by law for unincorporated charities. For incorporated charities, the general principles are similar, but will depend on the charity's governing document and the law affecting corporations.

In more detail

The legal position: The Trustee Act 2000 defines some of the key statutory powers and duties of trustees of unincorporated charities. It also gives such trustees the powers they need to administer their charity effectively. If you are such a trustee, you should find out more about the Act, and how it applies to your charity.

Incorporated charities: The 2000 Act does not apply to incorporated charities. But where an incorporated charity is itself a trustee of an unincorporated charity, then the Act will apply to its actions as a trustee.

F2. Can trustees be paid for their duties?

The short answer

Generally, no. Most trustees are unpaid, and must not benefit in any way from their connection with the charity. There are limited exceptions to this rule, and the Charities Act allows trustees to be paid in certain circumstances for providing services to the charity over and above their normal trustee duties.

In more detail

Prohibited benefits: Trustees are not entitled to receive any payment out of the charity's funds other than reasonable and necessary out-of-pocket expenses, such as the cost of travel to attend trustee meetings. Additionally, they must not benefit, either directly or indirectly, from the charity by, for instance:

- taking a lease of the charity's property;
- borrowing money from the charity; or
- making contracts to do business with the charity.

When trustees abuse their position: This is a legal rule and any trustee who breaks it may have to make good any loss that results to the charity out of their own pocket. Even if there is no loss, a trustee who makes a profit from breaking the rule may have to pay the amount of any profit to the charity.

Exceptions: There is an exception where the governing document (or other rules the charity must follow) explicitly allows payment to trustees, and/or allows them to do business with the charity. Any personal benefit must strictly comply with the terms and conditions of the authority allowing the benefit. We can also authorize a transaction between a charity and a trustee personally, where the trustees can show a clear advantage to the charity. In addition the Charities Act contains provisions that allow payment of

trustees, but only for the provision of goods or a service to their charity over and above their normal trustee duties. This does not include contracted employment or payment for acting as a trustee. Trustees must meet certain conditions and have regard to our guidance when using the power. You can find out more by reading our information sheet about the power to pay trustees for services or by reading our guidance [Trustee expenses and payments \(CC11\)](#).

F3. Can a trustee be employed by the charity?

The short answer

Generally, no because trustees must not gain from their position. Again, there are limited exceptions to this rule.

In more detail

The legal position: Generally, a trustee cannot become an employee of their charity nor can an employee become a trustee. The exceptions are where the governing document of the charity explicitly authorizes it, or if permission has been given by us or a court of law. Our guidance [Trustee expenses and payments \(CC11\)](#) provides more information about this.

When trustees abuse their position: This is a legal rule and a trustee who breaks it may have to repay to the charity any benefits they have received, such as salary. The rule still applies even where the trustee has resigned as a trustee, before or after taking up employment.

The exception: The only instance in which special permission may not be needed is where the charity can show that the trustee has not obtained the employment by reason of being a trustee and there is no ongoing conflict of interest. This would mean that the trustee concerned:

- has no significant involvement with the charity's decision to create or retain the post, or with any material aspect of the recruitment process; and
- had resigned as a trustee to apply for the post in advance of a post being advertised publicly in a fair and open competition.

Seeking advice: If in any doubt, a charity should obtain advice at an early stage.

F4. Must charities register with the Charity Commission?

The short answer

Generally, yes. Most charities must register. There are some exceptions to this rule for special classes of charity. Once registered, charities must comply with our requirements.

In more detail

The law says: The Charities Act requires trustees to register charities in England and Wales with us and to give any information needed for the purposes of registration. Any charity which has a gross income exceeding £5,000 a year is required to register. Some special classes of charity are free from the requirement to register. You can get more details in [Registering as a Charity \(CC21\)](#).

Charity status: Once a charity is registered, the law says it should generally be accepted as a charity by outside bodies. This may well help in obtaining tax and rating relief or in obtaining grants from other charities.

Letterheads etc.: Every registered charity with an income over £10,000 in its last financial year must state that it is a registered charity on any appeal documents and on many of its financial documents, such as cheques, invoices and receipts. It is not a requirement to state the charity's registration number, but many charities do so.

Keeping us informed: Once a charity has been registered, trustees must tell us about any changes to the details that appear on the [Register of Charities](#), such as the name or purposes of the charity or the name or address of the charity's correspondent, or if the charity ceases to exist or operate.

F5. Do trustees have to keep accounts?

The short answer

Yes. All charities must prepare annual accounts. Different rules apply to different sizes and types of charity. Preparing accounts is of course only one part of proper financial planning and control.

In more detail

The legal position: There are legal requirements (in the Charities Act and associated regulations) for charities, relating to:

- maintenance and retention of accounting records;
- preparation of charity accounts and Annual Reports;
- audit or independent examination of accounts;
- submission of accounts, Annual Reports and Annual Returns to us; and
- availability of accounts to the public.

Financial thresholds: How far any individual charity must comply with these requirements depends on the level of gross income. Trustees must familiarize themselves with the appropriate requirements. Registered charities with gross income of over £25,000 per year must submit their accounts to us annually, within 10 months of the end of the relevant financial year.

Non-submission of accounts: If trustees fail to submit their accounts and Annual Return to us on time, this could lead to us taking action against the trustees. This action could include conducting an investigation into the charity or publishing the charity's details on our website as defaulting in the submission of Annual Returns and accounts.

Incorporated charities: Different accounting rules apply to charities that are companies, although the Companies Act 2006 introduced provisions that harmonize the accounting and independent examination regimes for company and non-company charities for accounting years beginning on or after 1 April 2008. Further information is available from Companies House and on our [website](#).