

Charitable Trustees and personal interests under the Code

Personal interests are covered by paragraph 8 of the Code of Conduct. This guide is for councillors who are trustees of charitable organisations. Its purpose is to enable you, a trustee of a charitable organisation, to understand when you have a personal interest.

Appointment

A charity's governing document will usually set out how its trustees are to be appointed. This will vary between charities. They may be appointed directly by a charitable organisation or may be nominated by their local authority.

Types of trustees

It is important to understand your role as a trustee in order to understand when you have an interest to register. There are generally two types of trustees;

- Charity trustees responsible for managing the decisions of the charity,
- Holding trustees or nominees who are only responsible for holding the legal title to the charity's land or investment.

What interests do I need to register?

You must register your membership or position of control or management in:

- any body to which you are appointed or nominated by your authority
- any body directed to charitable purposes.

Therefore if you are a charity trustee you must always register an interest in the charity regardless of whether you have been appointed directly by the charity or nominated by your authority. This is a personal interest because you are a member and in a position of management over the charity. If you are a holding trustee or a nominee you will not be managing the decisions of the charity and, therefore, you do not have an interest to register but it may still be a personal interest (see below).

When my local authority is the trustee

A corporation such as a local authority can itself have been appointed to act as a trustee of a charity, usually known as a corporate trustee. It may be appointed as a charity trustee, or a holding trustee or nominee, or as both.

If your local authority is itself the charity trustee, it decides within the scope of local government law, what structures should be used to reach decisions in its name as a charity trustee. For example, it may decide all the decisions are to be reached by the council or it may decide to delegate the decisions to a separate management committee. Whatever the structure employed, the individual councillors concerned are not themselves charity trustees and do not have an interest to register but it may still be a personal interest (see below).

When do I have a personal interest?

It is important to remember that even when your role as a holding trustee or nominee does not give rise to an interest that needs to be registered or when you make decisions for your authority as the charity trustee, it may still be a personal interest that you need to declare at a meeting of your authority. This is when a decision in relation to the business of your authority relating or affecting the charity might reasonably be regarded as affecting your or a relevant person's well-being or financial position more than it would affect the majority of inhabitants of the ward or electoral division or authority's area affected by the decision.

Find out more

- Please see the guidance on the [Charity Commission's Website](#)
- Please see our Online Guide to Charitable Trustees and declarations of interest under the Code
- Call our enquiries line on 0845 078 8181
- Email us at enquiries@standardsforengland.gov.uk