

Code of Conduct for members of the Board of Trustees, the Council and their committees

If you have any questions about this code, please contact The Secretary, The National Trust, Heelis, Kemble Drive, Swindon, SN2 2NA, or email thesecretary@nationaltrust.org.uk.

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Code of Conduct for members of the Board of Trustees, the Council and their committees and panels

1. Definitions

In this Code the following words have the following meanings:

‘the Board’	The Board of Trustees of the National Trust as defined in clause 3 of the Scheme
‘Committee’	(i) Any committee established by the Board in accordance with its powers under clause 12 of the Scheme (ii) Any Nominations Committee established by the Council in accordance with its powers under clause 27 of the Scheme and any Committee of Inquiry which may be established by the Council under clause 28 of the Scheme, and (iii) Any sub-committee validly set up by a Committee.
‘the Council’	The Council of The National Trust as defined in clause 14 of the Scheme
‘Governance Body’	The Board or any of its committees or the Council or any of its committees
‘the Governance Handbook’	the National Trust’s Governance Handbook as approved by the Board and the Council including those amendments from time to time made to it
‘the Governance Team’	The National Trust staff who assist and are accountable to The Secretary
‘Meeting’	A meeting of the Governance Body in question
‘Member’	A member of the Governance Body in question
‘the Scheme’	The scheme set out in the appendix to The Charities (National Trust) Order 2005 (SI 2005 No. 712), incorporating any amendments made from time to time to that scheme
‘The Secretary’	The officer of the National Trust holding the post of The Secretary or, in his or her absence, such person (including himself or herself) as the National Trust’s Director-General may specify

2. The Scheme and the Governance Handbook

- (1) The National Trust is committed to ensuring that it operates good governance arrangements for carrying out its work. To this end, this Code of Conduct has been prepared for use by volunteer members of the various Governance Bodies of the Trust to assist and guide them in undertaking their governance duties.

- (2) To the extent that this Code conflicts with the express provisions of the Scheme or the Governance Handbook, the Scheme or the Governance Handbook, as the case may be, shall prevail.

3. Core principles

In their dealings with and on behalf of the National Trust Members of Governance Bodies should be guided by the following principles:

Prudence: Members should deal responsibly and prudently with matters entrusted to them or to the Governance Body on which they sit.

Selflessness: Members must act in the best interests of the National Trust and must not improperly seek or accept any financial or other advantage for themselves or people closely connected with them.

Integrity: Members must not allow themselves to be placed in a situation where their integrity or independence could justifiably be called into question.

Accountability: Members are accountable for their conduct, and should be prepared to justify their conduct.

Openness: Members should be open about their decisions.

Honesty: Members should be open about their relevant financial and other interests.

Leadership: Members should promote these principles and lead by example.

Equality and diversity: Members must comply with good practice on equality and diversity issues and promote compliance by others. In this context, 'good practice' includes, but is not limited to, relevant legislation and the National Trust's Equality and Diversity instruction.

Respect: Members should follow the principles of mutual respect in all their dealings and be prepared to accept that others may have equally strong views in good faith that differ from their own.

Application of the principles

3. Role of Members of Governance Bodies

Members of Governance Bodies, however they are appointed, sit on those bodies not as representatives of any group, but as individuals whose responsibility is to work together to further the interests of the National Trust.

5. Commitment

- (1) Members should ensure that they have sufficient time to attend meetings and to discharge effectively the other duties properly expected of them.
- (2) Members should commit themselves to preparing fully for and attending Meetings of their Governance Body. Members should seek leave of absence

from Meetings only when prevented from attending by compelling personal or professional reasons, which they should relay to the chair before the meeting.

6. Standards of conduct and debate

- (1) Members must uphold high standards of courtesy and respect in the business, including Meetings, of the Governance Body to which they belong.
- (2) Members should not engage in any behaviour towards other Members or staff which might reasonably be interpreted as discriminatory, bullying or harassment.

7. Collegiality

Members of a Governance Body should recognise that that the Governance Body may make a decision with which they disagree. Members may dissent, but should not seek to frustrate the implementation of decisions which are properly reached. Nor should Members seek to challenge or undermine, through the media or otherwise than at a meeting of the Governance Body, the decisions reached by the Governance Body.

8. Confidentiality

- (1) Members should assume that, unless the person providing the information says otherwise, any information which Members receive through their membership of the Governance Body is not to be communicated other than to members of that or other Governance Bodies and the staff of the National Trust.
- (2) Members must take all appropriate steps to safeguard information given to them in confidence or which otherwise comes into their possession in circumstances where confidentiality arises. Members may give such information to another Member of the same Governance Body (unless that Member has a conflict of interest which makes it inappropriate for him or her to have access to the information).
- (3) If a Member is put under pressure to disclose information beyond that envisaged in (1) and (2) they should report this straightaway to The Secretary.
- (4) Members are reminded that the Procedures for Meetings set out the arrangements for sharing information between different Governance Bodies.

9. Public comment about the National Trust

- (1) Members must not represent themselves as speaking officially for the National Trust to the media or otherwise when this is not the case, and should take care to avoid as far as possible being placed in a position where they might be misrepresented as speaking for the National Trust.
- (2) Where a Member proposes to make comments to the media relating to the National Trust the Member should before doing so discuss the matter with the chair of the Governance Body on which the Member sits or (if the

Member is the chair) with the Chair of the National Trust.

10. Accountabilities and communications

- (1) Members must recognise that National Trust staff are part of a line management structure responsible to the Director-General, and not to any Governance Body other than the Board, nor to individual Members of any Governance Body. Members must not place staff in any position where this principle might be compromised nor should they make onerous or repetitious requests for information.
- (2) On governance matters directly relating to Members' work on a Governance Body, they should normally communicate in the first instance with the Governance Team. When members visit properties they may wish to introduce themselves to General Managers who will be happy to provide general information.
- (3) Before seeking information directly from staff, Members of Governance Bodies may wish to consider whether it would be more appropriate to route their queries through the Governance Team.

11. Preferential treatment

Members must not seek any preferential treatment regarding the delivery by the National Trust of its services.

12. Declaration of interests

Members must observe the provisions on declaration of interests set out in the annex to this Code.

13. Gifts and hospitality

Members must not accept gifts or hospitality where this might cause their integrity or independence to be questioned.

14. Interpretation

- (1) If a member of a Governance Body needs help interpreting these provisions, or is concerned about how they are being applied, they should in the first instance contact The Secretary.
- (2) If that does not resolve the matter for the Member they should contact the chair of the Governance Body to which they belong or, if they are themselves the chair of that body they should contact the Chair of the National Trust. Members of the Council may, as an alternative, contact the Senior Member if they consider that to be more appropriate.

15. Bribery Act

The Bribery Act ('the Act') was introduced in 2010. The Ministry of Justice sets out the offences of the Act for charitable organisations of offering or receiving bribes, bribery of foreign public officials and of failure to prevent a bribe being paid on an organisation's behalf. The guidance considers charitable donations to be high risk. For example, if a company tendering to provide services to an organisation with which a National Trust governance volunteer was connected, and offered a large

donation to the National Trust in return for the contract or service being awarded, this would be considered an offence under the terms of the Act. Governance volunteers must not commit any act of bribery in relation to their role with the National Trust and should report any bribery proposition made to them in connection with the Trust that may warrant investigation.

16. Censure

- (1) All members of Governance Bodies are expected to work in a way that is consistent with the Code of Conduct. If the Chair considers that a member may have failed to do so the Chair may ask the Council to consider whether that individual(s) should be censured.
- (2) In such rare situations the Council will discuss the situation and the individual(s) concerned will be provided with an opportunity to explain their action or behaviour. After such debate the Council will consider whether the individual(s) have failed to adhere to the Code of Conduct. If it concludes that they have, the Council will determine whether that individual(s) should be censured. A majority will be required to carry both decisions.
- (3) If the Council determines that an individual(s) should be censured the Chair will write to him or her doing so. The Chair's letter will be available to all members of the Council and to Trustees. The Council will also reserve the right to share the letter more widely.



Instruction

Conflicts of Interest (including related party transactions)

Mandatory action required

Overview	This instruction applies to all staff and volunteers. It sets out the definitions of conflicts of interest and related party transactions and describes the process for managing them
Rationale	We must provide a consistent approach to conflicts of interest and related party transactions to meet regulatory requirements and minimise reputational risk.
Implications	<p>Conflicts of interests (including related party transactions) can:</p> <ul style="list-style-type: none">• inhibit free discussion.• result in decisions or actions that are not in the interests of the National Trust.• risk the impression that the National Trust has acted improperly.• result in a breach of confidence. <p>The Trust takes conflicts of interest very seriously. Failure to declare a conflict may result in disciplinary action being taken. Where supervisory negligence is found to be a contributory factor, disciplinary action may also be initiated against those managers/supervisors responsible.</p>

Definitions

Conflicts of interest (COI):

A conflict of interest occurs when an individual's personal interest, family friendships, financial or social factors could compromise their judgement, decisions, or actions in the workplace. The risk may be financial or non-financial.

Example: You decide to share confidential business plans with another conservation charity for a fee (financial risk).

Example: You line manage a close friend on a welcome desk. You accommodate their rota requests even though this puts other team members at a disadvantage (non-financial risk).

A related-party transaction is a type of conflict of interest. It is a purchase from, or an ongoing contract with, any supplier who has a personal, business or legal relationship or other common interest, with a member of staff or volunteer.

Examples:

- A Head Gardener owns a fencing contractor firm that does work at National Trust properties.
- A Regional Director is the brother of a Structural Engineer who works from time to time on National Trust projects.
- A National Specialist conservator is married to an external fabric conservation specialist with which the Trust has a contract.

See annex four for further examples of conflicts of interest.

Categories of conflicts of interest

Conflicts of interest (including related party transactions) fall into three categories:

1. **Actual:** A decision maker *is* influenced by their own interests when doing their job.

Example: A budget holder awards a supplier contract to a friend or close family member.

2. **Perceived:** a decision maker may *appear* to be influenced by their own interests when doing their job.

Example: a budget holder is the partner of a sales representative for one of the Trust's major suppliers. This could bring into question the integrity of the procurement process.

3. **Potential:** a decision maker may be influenced *in the future*, by their own interests when doing their job.

Example: A member of staff at a major supplier has accepted a job with the National Trust and is then responsible for leading negotiations with the former employer.

While staff, volunteers and specialists may well act with integrity, the appearance of a conflict can be damaging to the charities' reputation. When considering how a situation may be perceived, a simple rule of thumb might be to ask: *how could this be portrayed in the media?*

General principles

The aim of this instruction is to protect both the organisation and the individuals involved from any appearance of impropriety.

All staff and volunteers have an obligation to act in the best interests of The National Trust, and to avoid situations where there may be a conflict of interest. Where they arise, conflicts of interest require careful and effective management.

It is acknowledged that occasionally there may be cases where an apparent conflict is in the organisation's best interests.

Example: A Trustee owns a company which specialises in a unique type of building conservation. A National Trust property requires this type of conservation.

Example: A staff member's relative runs a company that supplies high quality, reliable mobility vehicles that could negotiate rough terrain at a competitive price. A Trust property is looking to become more accessible.

If it can be clearly demonstrated and evidenced that the procurement process has been followed and that the conflict of interest has been managed appropriately, these companies would not be precluded from being contracted.

Processes for all staff and volunteers

The following processes must be adopted to help manage conflicts of interest (including related party transactions) effectively.

- All staff and volunteers must declare conflicts of interest (including related party transactions) to their manager (line manager or volunteer manager) in writing.
- Managers must ensure that staff and volunteers are regularly reminded of their duties in respect of conflicts of interest so that it becomes an integral part of business as usual.
- Managers must record conflict of interest disclosures via the form available on the National Trust intranet site or directly with the Governance team so that it is entered on the conflicts of interest register.
- Those chairing meetings must ask for conflicts of interest to be declared where a subject matter is being discussed that could give rise to a potential conflict.
- If a conflict is declared the individual should not be present for discussion of the item without consent of those present and sensitive information in any notes/minutes must be redacted on the copy for that individual.
- A record of any conflicts of interest declared must be kept and form part of the audit trail of any transaction. Where and how it is recorded will depend on the individual circumstances. It is up to the manager to decide what is most appropriate. If unsure, please seek guidance from the Governance team.

Monitoring

Where a conflict of interest is disclosed by a member of staff or volunteer it is their manager's responsibility to:

- ensure the member of staff or volunteer is excluded and distanced from any relevant decision making or contract negotiation.
- ensure that any actions taken in respect of the conflict are recorded (e.g., in minutes of meetings, e-mail).
- monitor arrangements where conflicts are accepted e, g. by reviewing invoices and act if arrangements are unsatisfactory.

Accountability

If there is reason to believe that a person subject to this instruction has failed to comply with it, the circumstances will be investigated at an appropriate level and proportionate action taken. For staff this might include taking disciplinary action which may lead to dismissal, for volunteers it may result in being asked to stop volunteering.

If a person suspects that a staff member or volunteer has failed to disclose a conflict of interest, it must be escalated as appropriate e.g., line manager, volunteer manager, Director, Head of Governance. If this is not possible, reference should be made to the Speaking Out guidance on Acorn on how to raise the matter.

Additional responsibilities for specific groups

Additional responsibilities exist for different stakeholders. These are set out in attached annexes and the relevant section to the reader must be read in conjunction with this instruction.

Annex 3 Governance volunteers, specialist advice network and regional advice group volunteers, subsidiary directors, and executive board.

Further Reading

The following documents and guidance should be read in conjunction with this document.

Document Name	Audience
Collaborative Working	Staff
Contract of Employment	Staff
Fraud, Bribery and Theft instruction	All
Gifts and Hospitality instruction	All
Governance Handbook	Governance volunteers, RAG, SAN volunteers, Company directors
Ordering and Payment of Goods instruction	Staff
Procurement Process Buying Cycle	Staff
Raising Sales invoices	Staff
Trustee Code of Conduct (found in governance handbook)	Trustees
Speaking out	All
Working with family members	Staff
Draft fundraising support acceptance policy	Staff
Projects – Who to talk to page (Intranet)	Staff

Additional responsibilities for governance volunteers, specialist advice network and regional advice group volunteers, subsidiary directors, and executive board.

Charity Law requires Trustees to declare all interests and related party transactions (regardless of the amount). Under company law, the directors of limited companies are required to make the same declarations. This applies to our subsidiary companies.

In addition, it has been agreed by the Trust that in the interests of openness and transparency the following groups should be subject to the same level of scrutiny.

- Council
- Executive board
- Specialist advice network
- Regional advice group members

Declaration of interests

Individuals will be required to provide a declaration of interests on appointment. The form can be found on the NT intranet page.

To be effective, a declaration of interests must be updated at least annually. Individuals must notify their contact at the Trust in writing of any material changes during the year.

Trustees and directors who do not notify the Trust of a conflict of interest will be in breach of their duty to act in the best interests of the charity.

Directors of subsidiary companies who do not notify the Trust of a conflict of interest will be committing a criminal offence under the Companies Act 2006

Executive board and Regional Advice Group members who do not notify the Trust of a conflict of interest will be exposing the charity and themselves to reputational risk.

If you are unsure of what to include, please err on the side of caution. If you have any questions, you should contact the Governance team for guidance.

Register of Interests

The Governance team will be responsible for overseeing the register of interests and will also maintain the register in respect of governance volunteers and subsidiary directors.

Nominated leads will be responsible for maintaining the register for the Executive board, regional advisory groups, and specialist advice network.

Where a governance volunteer is also a member of a regional advisory group or specialist advice network, the governance team will collect information from the individual.

Data protection

The information provided will be processed in accordance with data protection principles as set out in the Data Protection Act 2018. The information provided will not be used for any other purpose.

Access to the register will be granted to:

- those maintaining it.
- those that can demonstrate a legitimate interest in the best interests of the Trust.

It is the decision of the Board of Trustees as to whether information relating to their interests be published in the public domain.

Declaring conflicts of interests during meetings

If you believe you have a real or perceived conflict of interest, you should:

- declare the interest at the earliest opportunity. In case of doubt, an interest should always be declared.
- withdraw from discussions and decisions relating to the conflict. It is possible that you will be asked to withdraw from the room.

In the event of the board having to decide upon a question in which a governance volunteer/executive team member/specialist volunteer has an interest, all decisions will be made by vote, with a simple majority required. A quorum must be attained for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate. Interested board/group members may not vote on matters affecting their own interests.

There are situations where you may participate in discussions from which you could indirectly benefit, for example where the benefits are universal to all users, or where your benefit is minimal. The provisions in this instruction may be lawfully waived by simple majority of the members present however this should only be done in exceptional circumstances.

The person minuting the meeting should take care to ensure that minutes or other documents relating to the item presenting a conflict are appropriately redacted for the person declaring the conflict. A balance needs to be made to ensure that the person receives sufficient information about the activities of the charity without disclosing sensitive information that could place the individual in an untenable position.

If you fail to declare an interest that is known to the chair of the board/group, the chair is obliged to declare it.

All decisions under a conflict of interest will be recorded and reported in the minutes of the meeting. The report will record:

- the nature and extent of the conflict.
- an outline of the discussion; and
- the actions taken to manage the conflict.

Related Party Transactions

All related party transactions must be declared annually. You will be contacted by a nominated person and provided with a form for this purpose.

If you are unsure of what to include, please err on the side of caution. If you have any questions, you should contact the nominated person for guidance.

Annual Report

Where a trustee or director is connected to a party involved in the supply of a service or product to the charity, this will be reported in the annual report and accounts in accordance with the current Charities SORP.

All payments or benefits in kind to trustees will be reported in the charity's accounts and annual report, with amounts for each trustee listed for the year in question.

Where a member of the executive board, Council, specialist advice network or regional advice group is connected to a party involved in the supply of a service or product to the charity, this information will be fully disclosed in the annual report and accounts if it exceeds £10,000.

Annex 4

Examples of Conflicts of Interest (this list is not exhaustive)

This list details examples of situations leading to conflicts of interest.

It is important to note that whilst some of the examples given would be managed through the confines of this instruction, others, such as posting negative views about the Trust on social media, would be dealt with through other channels such as disciplinary action. These are situations where there the conflict is not manageable, resulting in a direct risk to the Trusts reputation.

Further guidance can be sought from the Governance Team.

1. Recruiting an unqualified relative to provide a specialised service.
2. Starting a charity that is similar to your main employer.
3. Failing to disclose that you are related to a job candidate that the Trust is considering for employment that you may come into contact with during the course of work.
4. Making arrangements to work for a supplier at a future date while continuing to manage a contract with them.
5. Offering paid services on your time off to a member or supplier.
6. Working part-time for an organisation that sells a competing offer to the Trust.
7. Accepting payment from a company/organisation for information about the Trust.
8. Failing to investigate a staff or volunteers wrongdoing because they are a friend.
9. Sharing confidential information about the Trust either internally or externally.
10. Making a purchase or business choice to boost a business that you have a stake in
11. Accepting a favour or a gift from a stakeholder above the amount specified as acceptable by the Trust.
12. Owning part of a business that sells goods or services to the Trust.
13. Reporting to a supervisor/manager who is also a close friend or family member
14. Accepting consulting fees and providing advice to another company/organisation for personal gain.
15. Sharing information in an interview with another organisation about the Trust's activities or plans.
16. Taking advantage of confidential information learned on the job for your own benefit.
17. Posting to social media about perceived weaknesses at the Trust.
18. Being in a relationship with a manager/supervisor/team member.