



Naphill Village Hall & Playing Fields Council

Trustee Decision Making Protocol

1.0 Purpose

- 1.1 To specifically define the decision-making powers and processes to be applied by Trustees of Naphill Village Hall and Playing Fields Council.

2.0 Scope

- 2.1 This protocol applies when Trustees are making significant or strategic decisions, such as those affecting the charity's beneficiaries, assets or future direction. It does not include decisions taken under delegated authority levels that have already been agreed in our Financial Regulations.

3.0 Principles

- 3.1 Trustees make decisions, and are held accountable for them, as a corporate body. This is called collective responsibility.
- 3.2 It is part of our role to be informed, to exercise independent judgement and to constructively question and challenge proposals. No one should direct us, coerce us, bully us or drive decisions through without discussion. Trustees who simply defer to the opinions and decisions of others without independent thought are not fulfilling their duties.
- 3.3 Trustees have a duty to participate in the decision-making process unless there is a conflict of interests.
- 3.4 In accordance with our Scheme, decisions will be taken on a majority vote at a "properly called" meeting which is quorate (i.e., at least one third or 8 Trustees are present). Each Trustee, including the Chair, has one vote. Where a vote is tied the Chair has a casting vote.
- 3.5 Once a decision has been reached each Trustee must abide by it regardless of whether they agreed to it or not and even if they were not present at the meeting when the vote took place. If a Trustee is absent for a meeting, they may send in their views to be expressed but we do not accept votes by any means other than attendance at the meeting.
- 3.6 If a Trustee seriously disagrees with a decision, they may ask for this to be noted in the minutes. This does not however mean that they avoid taking collective responsibility for a decision and they must still uphold it.
- 3.7 Decisions must be open and transparent to the beneficiaries of the Scheme (i.e., our local community).

3.9 We are legally obliged due to our position as Trustees to follow the principles below when making decisions:

- To act within our powers as defined in our Scheme (Constitution)
- To act in good faith, and only in the interests of the charity
- To make sure we are sufficiently informed
- To take account of all relevant factors
- To ignore any irrelevant factors
- To manage conflicts of interest
- To make decisions that are within the range of decisions that a reasonable trustee body could make

3.10 We must also be able to demonstrate that we have applied these principles. We do this in the minutes of our meetings which are a permanent record of decisions made and which would be used as evidence if a decision ever had serious implications. Minutes should be sufficiently detailed to allow someone to understand the issues, the decision and the reasons for it.

3.11 If we make decisions applying the criteria above and it goes wrong then the Charity Commission would support us and we would have sufficient evidence to provide against our Trustee insurance cover.

3.12 If we do not comply with these principles we will have no support from the Charity Commission, are unlikely to be covered by our Trustee insurance and each Trustee could be held personally liable.

4.0 Acting Within Our Powers

4.1 We must only make decisions that are consistent with our charity's objects and the powers defined in our Scheme (Constitution).

4.2 We must only use these powers for the purposes they were intended. As an example, we cannot use one power to get round anything contained in the Scheme. To deliberately misuse a power would be a breach of our duty to act in good faith.

4.3 We must ensure that new Trustees are properly appointed in accordance with the Scheme and are able to act in accordance with it. They must not be disqualified from holding an office as a Trustee.

5.0 Acting in Good Faith

5.1 We must always demonstrate genuine, honest intention and motives that are in the interests of the charity.

5.2 Examples of things that would not be acting in good faith are:

- acting in a way that the trustees didn't honestly believe was in the interests of the charity
- intentionally benefiting someone in a way that is not in the charity's interests
- deliberately using a power for a purpose for which it was not intended

5.3 If a Trustee or Trustees has/have not acted in good faith then:

- they may not be entitled to reclaim any associated expenses that they have incurred
- their decision could be challenged in law
- the Charity Commission might need to become involved
- the Trustee(s) might have to repay the charity for any losses they caused

6.0 Making Sure We Are Sufficiently Informed

6.1 We need to demonstrate that our decisions are based on sufficient and appropriate evidence. This includes the need to get advice from a suitably qualified person where there is:

- Significant cost or value involved
- The issue is complex
- The issue is controversial
- The decision impacts many people

If the person giving the advice has sufficient expertise and is adequately and accurately informed about the matter then, whilst we remain responsible for the ultimate decision, if we have considered and acted on appropriate advice this is likely to protect us. Meeting minutes provide the evidence trail that we have sought such advice.

6.2 We need to manage risks using a risk assessment process to keep all Trustees informed of the possible issues facing the charity.

6.3 We should consult with our community (our stakeholders) about important decisions that will affect them. Whilst the final decision remains for Trustees alone, such consultation will help us make, and evidence, more informed decisions. It also demonstrates openness and transparency and that we listen to those we represent.

7.0 Taking Account of All Relevant Factors

7.1 When making decisions we need to consider the following points:

- Is the proposed decision in the best interests of the charity?
- If the proposed decision affects the charity's activities, is it consistent with the charity's objects?
- Is the decision in the public benefit?
- Do we have all the powers we need to make and then carry out the decision?
- Are there any alternatives to consider?
- Do we have sufficient professional or specialist advice to enable us to make an informed decision? If we propose not to follow this advice, why is it in the best interests of the charity not to do so?
- What are the risks/benefits of the proposed decision?
- How could this affect our reputation? Are there any steps we should take to manage or mitigate reputational risks?
- Will the decision affect the future ability of the charity to further its purpose effectively? If it will have a negative impact, can it still be clearly justified as being in the charity's interests?

- Do we have sufficient funds to carry through the decision and continue past implementation?
- If we have consulted our stakeholders, what have we learned from that consultation? How much weight should we give to stakeholders' views?
- If we commit to the proposed decision, will there be any opportunity to withdraw at a later stage without incurring costs or penalties which may be unaffordable?

8.0 Identify Irrelevant Factors

8.1 It is a legal requirement that Trustees need to decide what is relevant or irrelevant to the decision. We should therefore always consider the Charity's objects and what it is trying to achieve and make the best decision we can based on sound information. We should never allow personal prejudices or relationships to sway our judgment; to do so would be a breach of duty.

9.0 Managing Conflicts of Interest

- 9.1 As a Trustee, you have a legal duty to declare a conflict of interest immediately you are aware of any possibility that your personal or wider interests could influence your decision-making.
- 9.2 All Trustees are asked to sign a Conflict-of-Interest Form where they declare any general interests that they may have (for example owning a property bordering The Crick).
- 9.3 At the start of each meeting you should declare a conflict of interest on any agenda item and this will be minuted. If during the course of the meeting you realise you have a conflict of interests it must be declared and recorded at that time.
- 9.4 If a conflict of interest has been declared you may not take part in a vote (but you can still express your views and you still retain collective responsibility for upholding the majority decision).

10.0 Make Decisions Within the Scope that Trustees Can Reasonable Make

10.1 It is for us as Trustees to decide which option is in the best interests of our charity. The courts and the Charity Commission cannot judge whether the trustees' decision was 'right', or the 'best decision' or not. They can only consider whether the decision was within the 'range of decisions' that a reasonable trustee body could have made, and whether the trustees have followed proper processes and the principles in this guidance.

10.2 We therefore need to consider the following:

- have we given enough time and consideration to the decision?
- have we missed anything?
- have we taken and considered professional or other specialist advice and read any relevant guidance - if not can this be justified?
- is this the kind of decision the charity's beneficiaries or supporters would expect the us to make (and if not, how much weight should we give to these views)
- can we justify the decision in the circumstances?
- could this decision appear inconsistent with decisions we have made in the past, and if so, can the difference in approach be explained

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- what grounds could anyone have for saying the we have acted unreasonably

11.0 Changing a Decision Already Made

- 11.1 Requests for a decision that has already been made to be reviewed must be made in writing by a Trustee to the Chair giving reasons for the request. The reason will normally be either that the correct process was not followed, insufficient information was provided at the time the decision was made or new information has come to light subsequent to the decision being made. The fact that the Trustee disagrees with the decision made or was not present at the time is not a valid reason on its own to review that decision.
- 11.2 The Chair will review the request and decide whether it should be added to the next agenda for a vote.
- 11.3 Exactly the same process and vote must be applied to changing a decision as to making it in the first place.

12.0 Delegated Decision Making

- 12.1 Whilst we operate collectively, there are some situations where decision making needs to be delegated.
- 12.2 In our Financial Regulations we have delegated certain financial limits. A formal process of voting is not required in these situations and such expenditure is declared in the monthly Treasurer's report so that all Trustees can see it.
- 12.3 All Trustees have delegated authority to spend up to £1,000 in an emergency. An emergency is defined as an event that puts either people or premises at risk and requires an immediate response to prevent a situation deteriorating. Where this power is exercised the Treasurer needs to be told at the earliest opportunity.
- 12.4 The Chair (or Vice Chair in their absence) and one other Trustee acting together have delegated authority to spend up to £2,000 in an emergency using the same definition of emergency as above in that a decision is required immediately to protect people or premises.
- 12.5 In all other circumstances, for example where a decision must be obtained before the next meeting, the Chair or Treasurer should establish, and be able to prove that they have obtained, a majority view from Trustees, including conflicts of interest, by telephone or email before proceeding with any instructions that could be held to be legally binding. Decisions made in this way should still be put in front of the next meeting with a request to ratify the decision.
- 12.6 The following are specifically excluded from any delegated authority whatsoever:
- Agreement to any contracts of any type
 - Agreement to changes to our Scheme (Constitution)

Approval

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This policy has been approved by the Council at its meeting on 2nd May 2022

Date for next review: May 2024