



Declaration

CSD-1381C

Contracted Employment: Declaration and application for authority for payment (not exceeding £50,000 per annum) of a trustee, former trustee or connected person

Charities Act 1993 as amended by the Charities Act 2006

Declaration in respect of the trustees' application for authority to pay a trustee or connected person under a contract of employment

Notes to the form

For information about completing this form, please refer to the accompanying guidance note (CSD 1381B) – Guidance Note: Giving Authority for Payment (not exceeding £50,000 per annum) for Contracted Employment of a Trustee, Ex-Trustee or Connected person) available on our website.

Warning to all applicants: It is an offence knowingly or recklessly to provide false information to the Charity Commission. If in doubt about completing this form, you should seek advice from a solicitor or other person qualified to advise on charities.

In this form **connected person** for this purpose means any close relative who has a financial link (or 'interdependence') with a trustee and includes the spouse or partner of a trustee, or a member of a trustee's family – ie a child, parent, grandchild, stepchild, grandparent, brother or sister. It also includes someone who is a business partner of a trustee.

In cases of doubt about whether or not a person or business is a connected person, refer to paragraphs 2-4 of Schedule 5 of the Charities Act 1993, or seek advice from a solicitor or other person qualified to advise on the matter.

Trustee means charity trustee. The charity trustees are the people responsible under the governing document for controlling the charity's management and administration. In the governing document they might be called committee members, governors, directors or some other title. In this document they are known collectively as the **trustees**.

How should this form be signed?

This form must be signed by:

- one or more of the trustees; or
- by some other person having a competent knowledge of the facts and acting on behalf of the board.

Each signatory should state the capacity in which he or she signs, eg trustee, clerk etc. **The person(s) named in Part 2 or anyone else facing a potential conflict of interest from these proposals, must not sign this form.**

Section 1

Charity Details

Charity registration number (if registered) or Charity Commission reference number (if not registered)

Charity name

Place (if applicable)

County (if applicable)

Section 2**Details of payment**

Name(s) of person(s) who will receive payment

Capacity: ie trustee, ex-trustee or connected person? In the case of a connected person, please give the name(s) of the trustee(s) who are connected with the person to be employed. See Notes to the form for the meaning of "connected person"

Details of payment(s)

(a) Please state the proposed rate (ie the amount to be paid per hour/month/year as appropriate). In the case of payments over a fixed term, please also state the total amount to be paid

(a) Amount of payment.

At (b), please state when the arrangement will start (or started) and, if appropriate, finish

(b) Duration of payment.

Why do the trustees consider the proposed contract is in the interests of the charity?

Please give details of any fair and open competition procedure conducted before the trustees decided to proceed. If such procedure was not used, please give reasons

Section 3**Details of payment**

I/WE DECLARE as follows:

(a) A record of the trustees' decision and the reasons for it is available within the charity's minutes.

Note: The authority will not cover any past payments, only proposed or continuing payments. Sections 1 and 6 of the accompanying guidance note (**CSD 1381B**) provide further information about this and the following factors.

(b) The trustees are satisfied that:

- (i) the proposed payment to the person(s) named in section 2 of this form is justified in the interests of the charity, and will have no adverse effect on the charity's ability to carry out its stated objects;
- (ii) it is in the interests of the charity to employ the person(s) so named, rather than someone unconnected with the charity;
- (iii) the person(s) named has/have played no part in the proposal or decision to employ him/her;
- (iv) the employment was agreed by the trustees in good faith, and was not created or tailored to benefit the person(s) named;

- (v) in reaching a decision, the trustees have balanced the advantage of employing the person(s) named against the disadvantages of doing so;
- (vi) the proposed contract, taken together with other payments already being made to trustees, will not result in a majority of trustees benefiting;
- (vii) **Please delete whichever does not apply:**
 - *the appointment will be (or has been) made using fair and open competition principles;
 - *the appointment will not be (or has not been) made using fair and open competition principles and there are good reasons in the interests of the charity (which have been agreed and documented) for this not being so;
- (viii) the amount is reasonable in relation to the proposed employment, and the charity can afford it;
- (ix) I am/we are authorised by the trustees to apply on behalf of the charity for the Commission's authority under the Charities Act 1993 to proceed with the proposed payment.

(c) If the proposed payment is authorised, the trustees will ensure that:

- (i) whether the employment is of a trustee or connected person, the trustee concerned will withdraw from any meeting of the trustees at which his or her own instruction, remuneration, or performance, or that of the connected person is under discussion; the trustee concerned must not vote on any such matter, and must not be counted for the purpose of deciding whether a quorum is present at such meeting; and
- (ii) the payments to the person(s) named in section 2 will be declared in the charity's accounts.

Section 4

Signatures

Signatory 1

Capacity

Name

Address

| | |
|----------------------|----------------------|
| <input type="text"/> | |
| <input type="text"/> | |
| <input type="text"/> | <input type="text"/> |

Signed

Date

Signatory 2

Capacity

Name

Address

| | |
|----------------------|----------------------|
| <input type="text"/> | |
| <input type="text"/> | |
| <input type="text"/> | <input type="text"/> |

Signed

Date

Signatory 3

Capacity

Name

Address

Postcode

Signed

Date

Now send this completed form (and, if your charity is a company, the draft special resolution) to:

Charity Commission Direct
PO Box 1227
Liverpool
L69 3UG

(Tel: 0845 3000 218 or for hearing impaired callers 0845 3000 219)

Section 5

Checklist

Checklist of documents to return. **Guidance Note: Giving Authority for Payment (not exceeding £50,000 per annum) for Contracted Employment of a Trustee, Ex-Trustee or Connected Person CSD 1381B**, available on our website, explains these requirements in more detail.

Fully completed and signed declaration

Latest accounts (if required to be submitted annually to the Commission, and not yet forwarded)

For companies, a copy of the draft special resolution (see section 8.2 of the guidance note)

For charities requiring a Scheme, a list of the names and addresses of the trustees who did not participate in the decision to seek our authority (see section 8.2 of the guidance note)

Section 6

For Charity Commission use only

ORDER

Delete as appropriate

Being satisfied that it is expedient in the interests of the charity, the Commission authorises under the power given in section 26 of the Charities Act 1993 the person(s) named in section 2 above to receive and retain reasonable payment for the purpose described in section 2, notwithstanding their connection with the charity, subject to compliance by the trustees with the terms and conditions of the declaration signed hereon.

Commission references

Case No:

Authorisation No:

Date:

AUTHORISED OFFICER

V2 7/09