



Public Services Reform (Scotland) Act 2010

2010 asp 8

PART 9

CHARITIES

127 Charity trustees' indemnity insurance

- (1) In section 67(5)(c) of the 2005 Act (remuneration for services), for “any” substitute “this Act or any other”.
- (2) After section 68 of that Act insert—

“68A Charity trustees' indemnity insurance

- (1) The charity trustees of a charity may arrange for the purchase, from the charity's funds, of insurance designed to indemnify the charity trustees against personal liability in respect of any negligence, default or breach of duty committed by them in their capacity as—
 - (a) charity trustees, or
 - (b) directors or officers of any body corporate carrying on any activities on behalf of the charity.
- (2) The terms of such insurance must, however, be framed to exclude the provision of any indemnity for a charity trustee in respect of any liability incurred by the charity trustee—
 - (a) to pay—
 - (i) a fine imposed in criminal proceedings,
 - (ii) a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature,
 - (b) in respect of representation in any criminal proceedings in which the charity trustee is convicted of an offence arising out of any fraud or dishonesty, or wilful or reckless misconduct, by the charity trustee,

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Public Services Reform (Scotland) Act 2010. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

- (c) to the charity that arises out of any conduct which the charity trustee knew (or must reasonably be assumed to have known) was not in the interests of the charity or in the case of which the charity trustee did not care whether it was in the interests of the charity or not.
- (3) For the purposes of subsection (2)(b) the reference to conviction does not include a conviction—
- (a) quashed by an order under section 118(1)(b) or 183(1)(c) of the Criminal Procedure (Scotland) Act 1995 (c. 46),
 - (b) quashed by an order under section 118(1)(c) of that Act and which order has the effect of an acquittal by virtue of section 119(9) of that Act or otherwise,
 - (c) in relation to which the verdict is set aside by an order under section 183(1)(d) of that Act and which order has the effect of an acquittal by virtue of section 185(9) of that Act or otherwise.
- (4) This section—
- (a) does not authorise the purchase of any insurance whose purchase is expressly prohibited by the charity's constitution,
 - (b) has effect despite any provision prohibiting the charity trustees receiving any personal benefit from the charity's funds.”.

Commencement Information

II S. 127 in force at 1.8.2010 by [S.S.I. 2010/221](#), art. 3(2), [Sch.](#)

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Public Services Reform (Scotland) Act 2010. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Pt. 5 Ch. 3A amendment to earlier affecting provision 2019 asp 6, s. 12(2) by [S.S.I. 2023/127 reg. 3\(4\)](#)
- Pt. 5 Ch. 3A inserted by [2019 asp 6 s. 12\(2\)](#)