



2008 CHAPTER 12

PART 9

CHARITY TRUSTEES

CHAPTER 2

OTHER PROVISIONS RELATING TO CHARITY TRUSTEES

Remuneration of trustees, etc. providing services to charity

88.—(1) This section applies to remuneration for services provided to or on behalf of a charity by a person—

- (a) who is a charity trustee or trustee for the charity, or
- (b) who is connected with a charity trustee or trustee for the charity and the remuneration might result in that trustee obtaining any benefit.

This is subject to subsection (7).

(2) If conditions A to D are met in relation to remuneration within subsection (1), the person providing the services (“the relevant person”) is entitled to receive the remuneration out of the funds of the charity.

(3) Condition A is that the amount or maximum amount of the remuneration—

- (a) is set out in an agreement in writing between—
 - (i) the charity or its charity trustees (as the case may be), and
 - (ii) the relevant person,

under which the relevant person is to provide the services in question to or on behalf of the charity, and

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- (b) does not exceed what is reasonable in the circumstances for the provision by that person of the services in question.
- (4) Condition B is that, before entering into that agreement, the charity trustees decided that they were satisfied that it would be in the best interests of the charity for the services to be provided by the relevant person to or on behalf of the charity for the amount or maximum amount of remuneration set out in the agreement.
- (5) Condition C is that if immediately after the agreement is entered into there is, in the case of the charity, more than one person who is a charity trustee and is—
- (a) a person in respect of whom an agreement within subsection (3) is in force, or
 - (b) a person who is entitled to receive remuneration out of the funds of the charity otherwise than by virtue of such an agreement, or
 - (c) a person connected with a person falling within paragraph (a) or (b),
- the total number of them constitute a minority of the persons for the time being holding office as charity trustees of the charity.
- (6) Condition D is that the trusts of the charity do not contain any express provision that prohibits the relevant person from receiving the remuneration.
- (7) Nothing in this section applies to—
- (a) any remuneration for services provided by a person in the capacity of a charity trustee or trustee for a charity or under a contract of employment, or
 - (b) any remuneration not within paragraph (a) which a person is entitled to receive out of the funds of a charity by virtue of any provision or order within subsection (8).
- (8) The provisions or orders within this subsection are—
- (a) any provision contained in the trusts of the charity,
 - (b) any order of the Court or the Commission,
 - (c) any statutory provision other than this section.
- (9) Section 89 applies for the purposes of this section.

Modifications etc. (not altering text)

- C1** [S. 88](#) modified (18.2.2011) by [Charities Act 2008 \(Transitional Provision\) Order \(Northern Ireland\) 2011 \(S.R. 2011/12\)](#), [art. 2](#), Sch.

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