

Charities Act 2011

2011 CHAPTER 25

PART 9

CHARITY TRUSTEES, TRUSTEES AND AUDITORS ETC.

Remuneration of charity trustees and trustees etc.

186 Disqualification of charity trustee or trustee receiving remuneration under s.185

- (1) This section applies to any charity trustee or trustee for a charity—
 - (a) who is or would be entitled to remuneration under an agreement or proposed agreement within Condition A, or
 - (b) who is connected with a person who is or would be so entitled.
- (2) The charity trustee or trustee for a charity is disqualified from acting as such in relation to any decision or other matter connected with the agreement.
- (3) But if an act is done by a person who is disqualified from doing it by virtue of subsection (2), the act is not invalid merely because of that disqualification.
- (4) If the Commission is satisfied—
 - (a) that a person ("P") has done any act which P was disqualified from doing by virtue of subsection (2), and
 - (b) that P or a person connected with P has received or is to receive from the charity any remuneration under the agreement in question,

it may make an order under subsection (5) or (6) (as appropriate).

- (5) An order under this subsection is one requiring P—
 - (a) to reimburse to the charity the whole or part of the remuneration received as mentioned in subsection (4)(b);
 - (b) to the extent that the remuneration consists of a benefit in kind, to reimburse to the charity the whole or part of the monetary value (as determined by the Commission) of the benefit in kind.

Changes to legislation: Charities Act 2011, Section 186 is up to date with all changes known to be in force on or before 14 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (6) An order under this subsection is one directing that P or (as the case may be) the connected person is not to be paid the whole or part of the remuneration mentioned in subsection (4)(b).
- (7) If the Commission makes an order under subsection (5) or (6), P or (as the case may be) the connected person accordingly ceases to have any entitlement under the agreement to so much of the remuneration (or its monetary value) as the order requires P to reimburse to the charity or (as the case may be) as it directs is not to be paid to P.
- (8) Sections 187 and 188 (interpretation) apply for the purposes of this section.

Changes to legislation:

Charities Act 2011, Section 186 is up to date with all changes known to be in force on or before 14 April 2024. There are changes that may be brought into force at a future date. Changes that have been made 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:

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

- s. 106(1)-(1B) substituted for s. 106(1) by 2022 c. 6 s. 16(a)
- s. 322(2)(ea) inserted by 2022 c. 6 Sch. 2 para. 26
- s. 331A331B and cross-heading inserted by 2022 c. 6 s. 15