

The Soho House Foundation

TRUSTEE POLICY

1. INTRODUCTION

- 1.1 This policy outlines the roles and responsibilities of the charity trustees of Soho House Foundation (**'the charity'**) a charitable incorporated organisation registered in England and Wales and establishes guidelines to ensure Soho House Foundation's effective governance and the achievement of its charitable objectives.
- 1.2 Soho House Foundation's trustees form the charity's governing body and are responsible for collectively setting the direction of the charity, overseeing the management of its business and affairs, and managing its resources responsibly.
- 1.3 In this policy, references to a **"trustee"** and the **"trustees"** means one or more of the charity trustees of Soho House Foundation, as the context requires, in their capacity as a charity trustee.

2. TRUSTEES' DUTIES

2.1 Introduction

- (a) Trustees have various legal responsibilities and duties under charity law. These are summarised in the guidance published by the Charity Commission for England and Wales (the **"Commission"**) titled *"The essential trustee: what you need to know, what you need to do"* (the **"Commission Guide"**)¹, and trustees have a responsibility to ensure that they have read and understood their responsibilities as a trustee.
- (b) Trustees have the following six main legal duties:
 - (i) ensure their charity is carrying out its purposes for the public benefit;
 - (ii) ensure their charity complies with its governing documents and the law;
 - (iii) act in their charity's best interests;
 - (iv) manage their charity's resources responsibly;
 - (v) act with reasonable care and skill; and
 - (vi) ensure their charity is accountable.

2.2 Ensure Soho House Foundation is carrying out its purposes for the public benefit

- (a) The trustees should always ensure that they understand Soho House Foundation's charitable purposes (excerpted below) and that all of the charity's activities further or support these purposes:

'The objects of the Charity are to advance, for the public benefit, such exclusively charitable purposes (according to the law of England and Wales) as the trustees in their absolute discretion see fit from time to time, in particular, but not exclusively, by making grants to other charities, organisations and individuals to:

¹ Available at <https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3/the-essential-trustee-what-you-need-to-know-what-you-need-to-do>

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3.1 Advance the education of the public in the subject of the arts;

3.2 Relieve those in need because of youth, age, ill health, disability, financial hardship or other disadvantage;

3.3 Relieve financial need and suffering among victims of natural or other kinds of disaster in the form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected.

The trustees should periodically review these purposes to make sure they are still appropriate, relevant and up-to-date and continue to benefit the public, and if necessary, modify them.

- (b) The trustees must exercise their powers and perform their functions in the way they decide, in good faith, would be most likely to further the purposes of Soho House Foundation.
- (c) As Soho House Foundation is a charity registered in England and Wales, the trustees are also responsible for ensuring that its charitable purposes are for the public benefit and that when running Soho House Foundation, they carry out its purposes for the public benefit, having regard to the guidance set out by the Commission in relation to the public benefit requirement². This means they need to be able to show that:
 - (i) they are aware of the Commission's guidance around the public benefit requirement;
 - (ii) they have taken this into account when making a decision (to the extent that the guidance is relevant); and
 - (iii) where they have departed from the guidance, they have a good reason for doing so.
- (d) In practice, this means that the trustees should:
 - (i) ensure that Soho House Foundation's purposes provide benefit by understanding how the purposes are beneficial and ensuring that it carries them out in a way that benefits the public, and understand who benefits from Soho House Foundation's activities and how;
 - (ii) make decisions to manage any risks of detriment or harm that may result from carrying out Soho House Foundation's purposes by identifying any risks of harm arising from its actions, minimising those risks and ensuring that any harm arising is a minor consequence of carrying out the purposes;
 - (iii) make decisions about who benefits in ways that are consistent with the purposes by understanding who potentially benefits from the purposes and considering the various ways in which Soho House Foundation can carry out its purposes; and
 - (iv) make decisions to ensure that any personal benefits are no more than incidental by ensuring that any personal benefits that persons (both

² Available at <https://www.gov.uk/guidance/public-benefit-rules-for-charities>

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individuals and organisations) receive are no more than a necessary result or by-product of carrying out Soho House Foundation's purposes.

- (e) If there is a situation where Soho House Foundation's purposes are not being carried out for the public benefit the trustees will need to address this and take action to resolve this.

2.3 Ensure Soho House Foundation complies with its governing documents and the law

- (a) Soho House Foundation is governed by its constitution (the "**Constitution**")³, which sets out, amongst other matters, the powers of its trustees. The trustees have a responsibility to ensure that they have read and understood the powers and limitations granted to trustees under the Constitution.
- (b) It is important to ensure that the trustees and Soho House Foundation's actions comply with any requirements under the Constitution, as failure to follow the correct procedure can result in actions and decisions being invalidated and having to be reversed.
- (c) The trustees should also ensure that they and Soho House Foundation comply with any charity law requirements (including the Charities Act 2011). This includes ensuring that Soho House Foundation keeps appropriate financial records (e.g. accounting books and records) for the required six-year period, prepares and files its accounts and annual report with the Commission, and reports any required serious incidents (see paragraph 2.6(e) below for further details) to the Commission as soon as possible after they occur.
- (d) Additionally, the trustees have a responsibility to ensure that Soho House Foundation complies with all laws that apply to it. For example, it must comply with any local employment and health and safety laws in relation to its employees and volunteers and process any data in accordance with applicable data protection regulations.

2.4 Act in Soho House Foundation's best interests

- (a) The trustees should ensure that when making decisions collectively they:
 - (i) decide what will best enable Soho House Foundation to carry out its purposes;
 - (ii) make balanced and adequately informed decisions (thinking about both the long-term and short-term) taking account of all relevant factors they are aware of;
 - (iii) avoid putting themselves in a position where their duty to Soho House Foundation conflicts with their personal interests or loyalty to any other person or body; and
 - (iv) do not receive any benefit from Soho House Foundation unless it is properly authorised and clearly in Soho House Foundation's interests (including to anyone who is financially connected to them (e.g. a partner, dependent child or business partner)).

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- (b) When acting in Soho House Foundation's best interests, this includes taking steps such as whether to collaborate or merge with another charity or spending all of Soho House Foundation's resources and bringing it to a close.
- (c) The trustees are ultimately responsible for deciding what activities Soho House Foundation will undertake, what resources it will require and how it will obtain and use them.

2.5 Manage Soho House Foundation's resources responsibly

- (a) The trustees are expected to act responsibly, reasonably and honestly, ensuring that:
 - (i) Soho House Foundation's assets are only used to support or carry out its purposes;
 - (ii) Soho House Foundation's assets, beneficiaries and reputation are not exposed to undue risk;
 - (iii) Soho House Foundation is not overcommitted;
 - (iv) special care is taken when investing or borrowing; and
 - (v) the trustees comply with any restrictions on spending funds or selling land, as applicable.
- (b) The trustees should ensure that there are appropriate procedures and safeguards in place and further ensure that reasonable steps are taken to make sure such procedures and safeguards are followed.
- (c) The trustees should ensure that all risks are managed responsibly. The Commission's guidance on charities and risk management⁴ recommends that the following steps be taken to deal with risk:
 - (i) establish a risk management policy;
 - (ii) identify risks (what could go wrong);
 - (iii) assess risks (how likely is it that a risk will materialise and how serious would its impact on Soho House Foundation be if it did materialise);
 - (iv) evaluate what action to take (how can the trustees/Soho House Foundation avoid the risk, transfer the risk, insure against the risk or accept the risk);
 - (v) review, monitor and periodically re-assess risks and Soho House Foundation's risk management strategies.
- (d) The trustees are responsible for Soho House Foundation's money, including how it obtains funds, and should ensure that there are effective processes for handling money to avoid poor decision-making, accidental errors, theft and fraud. The Commission recommends that trustees take the following steps:

⁴ Available at <https://www.gov.uk/government/publications/charities-and-risk-management-cc26>

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- (i) set a budget and keep track of it;
- (ii) put in place clear policies and procedures to deal with income and expenditure;
- (iii) ensure that Soho House Foundation keeps accurate records of income and expenditure;
- (iv) have robust and effective financial controls in place;
- (v) protect Soho House Foundation from financial crimes such as theft or fraud;
- (vi) put appropriate safeguards in place for money, assets and staff;
- (vii) have an appropriate reserves policy; and
- (viii) ensure that Soho House Foundation receives any tax reliefs to which it is entitled.

2.6 Act with reasonable care and skill

- (a) The trustees have a general duty of care which applies to all aspects of their role. They must ensure that they use their skills and experience to inform their decision-making and to benefit Soho House Foundation and should give enough time, thought and energy to their role, for example by preparing for, attending and actively participating in all trustees' meetings.
- (b) The trustees are expected to exercise, in the performance of their functions, such care and skill as is reasonable in the circumstances, taking into account any special knowledge or experience that they have – this means that the duty of care they owe will depend on any special knowledge or experience that they have or claim to have.
- (c) For example, if a trustee was a chartered accountant, the duty of care that trustee would owe in respect of reviewing Soho House Foundation's annual accounts would be higher than a trustee without equivalent financial qualifications.
- (d) The trustees should recognise and acknowledge when they will require advice. This is particularly important where Soho House Foundation or its property may be at risk (for example when investing funds, entering into novel, long-term, complex or high-value contracts or where Soho House Foundation is either considering entering into legal action or defending against legal action).
- (e) The trustees' duty of care also includes ensuring that they report any "serious incidents" to the Commission. A serious incident is any adverse event, actual or alleged, which results in or risks significant:
 - (i) harm to Soho House Foundation's beneficiaries, staff, volunteers, or others who come into contact with Soho House Foundation through their work;
 - (ii) loss of Soho House Foundation's money or assets;
 - (iii) damage to Soho House Foundation's property; and
 - (iv) harm to Soho House Foundation's work or reputation.

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Significant means significant in the context of Soho House Foundation, taking account of its staff, operations, finances and/or reputation. All trustees bear responsibility for ensuring that Soho House Foundation makes a report of all serious incidents and does so in a timely manner.

2.7 Ensure Soho House Foundation is accountable

- (a) The trustees must comply with statutory accounting and reporting requirements and be able to demonstrate that Soho House Foundation is compliant with applicable laws. This includes ensuring Soho House Foundation produces annual accounts and an annual report and submits them to the Commission in accordance with applicable law.
- (b) The trustees should ensure that Soho House Foundation's complaints policy⁵ is followed when dealing with complaints.

3. CONFLICTS OF INTEREST

3.1 The trustees are expected to act in Soho House Foundation's best interests, which includes preventing any personal interests from conflicting, or appearing to conflict, with the best interests of Soho House Foundation and ensuring that:

- (a) they proactively identify and declare to the other trustees any interest (either direct or indirect) in any proposed transaction or arrangement to be entered into by Soho House Foundation;
- (b) the trustees record any conflicts of interest and what steps the trustees took to ensure that the conflict of interest was managed;
- (c) they prevent any conflicts of interest from affecting their decision-making;
- (d) they take actions, including recusing themselves from any discussion and/or the decision-making process, where they have an actual or possible conflict of interest (in which case they must not vote or be counted in the quorum in any decision of the trustees on such matter); and
- (e) they exercise independent judgment and act in the best interests of Soho House Foundation and furthering its charitable purposes (which may not always align with the interests of Soho House).

3.2 The trustees should refer to Soho House Foundation's Conflicts of Interest policy⁶ and the Commission's guidance regarding conflicts of interest⁷ for further details.

4. SCHEME OF DELEGATION

4.1 While the trustees remain legally responsible for all activities of Soho House Foundation, there are times where it is appropriate for the trustees to delegate day-to-day activities to other trustees (such as the Chair), volunteers, staff or committees. Delegation can help trustees govern more effectively, but trustees can never delegate their overall responsibility and will

⁷ Available at <https://www.gov.uk/government/publications/conflicts-of-interest-a-guide-for-charity-trustees-cc29/conflicts-of-interest-a-guide-for-charity-trustees>

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remain collectively responsible for all decisions that are made and actions taken by Soho House Foundation, notwithstanding any schemes of delegation put in place.

- 4.2 The trustees shall set out in writing the limits of any delegated authority, which is known as a “Scheme of Delegation” and which should include clear reporting procedures to ensure the delegated authority is exercised properly. The delegated authorities can include, for example, financial authority limits, staff job descriptions, volunteers’ role descriptions and terms of reference for committees.
- 4.3 The trustees may at any time alter those terms and conditions or revoke the delegation. To ensure that the trustees are complying with their duties and maintain overall responsibility for Soho House Foundation, delegated authorities should be periodically reviewed to make sure that those authorities are properly managed.
- 4.4 Ultimately, the trustees need to consider and agree what decisions they will not delegate, for example, high risk and unusual decisions. However, it is recognised that senior staff can have an important role in informing trustee decision-making by providing information and advice as set out in the Commission Guide.

5. MEETINGS OF THE TRUSTEES

- 5.1 The trustees are responsible for making decisions for Soho House Foundation collectively. Decisions are taken by a majority of those trustees eligible to vote (either at a meeting of the trustees or by written resolutions) and they should prepare for meetings ahead of time and actively participate in the decision-making process (for example, by asking questions and expressing their views in the meeting). Once a decision is made, the trustees should ensure it is complied with, even if they personally disagree with it.
- 5.2 While ad hoc meetings of the trustees may be called (and under the Constitution, any trustee may call a meeting of the trustees), to promote effective governance of Soho House Foundation, the trustees meet regularly at least three times per year, including at Soho House Foundation’s annual general meeting.
- 5.3 As set out in the Constitution, any meeting of the trustees requires that at least (i) two trustees or (ii) the number nearest to one third of the total number of trustees, whichever is greater, are present (this is known as the quorum requirement). As at the date of this policy, there are seven trustees so the quorum is currently set at two.
- 5.4 All meetings of the trustees are chaired by a trustee (the “**Chair**”). As at the date of this policy, the Chair is Nick Jones. Where the Chair is unable to attend a meeting, the trustees may appoint an alternative trustee to chair that meeting. The trustees are empowered to change the Chair at any time.
- 5.5 While all the trustees remain jointly responsible for Soho House Foundation, the Chair is responsible for:
 - (a) planning and running meetings of the trustees
 - (b) taking the lead on ensuring that meetings of the trustees are properly run and recorded (including ensuring that the proceedings of meetings are minuted); and
 - (c) taking the lead on ensuring that trustees comply with their duties.

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- 5.6 Additionally, where the trustees are deadlocked (i.e. there are equal numbers of trustees in favour of and against a proposal), the Constitution grants the Chair a second deciding vote.
- 5.7 As a matter of best practice, the trustees should attend all meetings, or where they are not able to attend, give apologies ahead of time to the Chair. If a trustee is absent without the permission of the other trustees from all meetings held within a period of six (6) months, the other trustees may resolve that such trustee's office be vacated and they will cease to hold office.
- 5.8 Meetings of the trustees are confidential and, unless otherwise agreed or if it is necessary to report certain matters to the Commission, the trustees should not discuss details or information with anyone other than the other trustees.
- 5.9 The trustees should refer to the Commission's guidance regarding charity meetings⁸ for further details.

6. TRUSTEE APPOINTMENT, RETIREMENT AND REMOVAL

- 6.1 The trustees must follow a transparent and rigorous recruitment process when appointing new trustees and have regard to the skills, knowledge and experience needed for the effective administration of Soho House Foundation when selecting individuals for appointment as trustees. They should consider whether the trustees as a group have a sufficient diversity of skills and experience and, where any deficiencies or areas for improvement are identified, consider whether to complete a skills audit, recruit additional trustees or seek third party advice.
- 6.2 According to the Constitution, there must always be at least three trustees and all trustees must be at least 16 years old. They must also not be disqualified from acting as a trustee by virtue of applicable law⁹. Apart from the first trustees, every trustee is appointed for a term of three (3) years by a resolution of the trustees.
- 6.3 The trustees will make available to each new trustee, on or before their first appointment: (i) a copy of the current version of the Constitution and (ii) a copy of Soho House Foundation's latest trustees' annual report and statement of accounts. New trustees will also receive a link to the Commission Guide and to Soho House Foundation's policies, including this policy.
- 6.4 Trustees may retire by notifying Soho House Foundation in writing (but only if enough trustees will remain in office when the notice of resignation takes effect to form a quorum for meetings). Pursuant to the Constitution, trustees may also cease to hold office if they are absent for a prolonged period of time (see section 5.7 above), die, become physically or mentally incapable of acting as a trustee for more than three months or are disqualified from acting as a trustee by virtue of applicable law.
- 6.5 The trustees should notify the Chair of any investigation, prosecution or conviction involving them occurring during their term as a trustee.

7. PAYMENTS AND BENEFITS

- 7.1 The trustees will not receive any remuneration or financial benefit from Soho House Foundation for being a trustee but are entitled to be reimbursed for pre-approved reasonable

⁸ Available at <https://www.gov.uk/government/publications/charities-and-meetings-cc48/charities-and-meetings>

⁹ Pursuant to sections 178-180 of the Charities Act 2011.

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expenses properly incurred by them when acting on behalf of Soho House Foundation. If they receive an unauthorised payment or benefit from Soho House Foundation, they have a duty to repay it.

7.2 Except in accordance with the Constitution or unless authorised by a court or the Commission, the trustees may not buy or receive any goods or services from Soho House Foundation on terms preferential to those applicable to members of the public or sell goods, services, or any interest in land to Soho House Foundation.

8. PUBLIC COMMUNICATIONS

8.1 In any public communications, whether on social media or otherwise, trustees should be clear as to whether they are acting in their capacity as a Soho House Foundation trustee or in their personal capacity and should be mindful of upholding Soho House Foundation’s reputation.

8.2 Trustees should not make public comments about Soho House Foundation unless authorised to do so and any public comments about Soho House Foundation should not disclose sensitive or confidential information.

8.3 Trustees should be clear when posting on personal social media profiles that any posts are personal and do not represent the views of Soho House Foundation.

This Policy has been approved and authorised by:

Name	Nick Jones
Position	Trustee
Date	15 March 2024
Signature	