

# BBC Trust

# Code of Practice

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# BBC Trust Code of Practice

## 1. Introduction

- 1.1 The British Broadcasting Corporation is a body created by Royal Charter; it exists to serve the public interest with a mission to inform, educate and entertain.
- 1.2 This document outlines the Code of Practice for Members of the BBC Trust, which is the sovereign body within the BBC. Members of the Trust (also known as "Trustees") have agreed that when undertaking their Trust duties they will comply at all times with this Code of Practice, act in good faith and in the best interests of licence fee payers.
- 1.3 This Code of Practice reflects the Trust's commitment to observe the highest standards of propriety involving integrity, impartiality and objectivity with respect to the stewardship of public funds and the governance of the BBC and to be open, responsive and accountable to licence fee payers.
- 1.4 In addition to any principles the Trust may separately adopt to guide its work, the Trust will follow the Seven Principles of Public Life of selflessness, integrity, objectivity, accountability, openness, honesty and leadership, as set out by the Committee on Standards in Public Life, attached as [Annex A](#).
- 1.5 This Code reflects the personal commitment and contribution Members make to their roles both in terms of time and resources. It contains provision to enable Members to effectively carry out their Trust duties with adequate support from the Trust Unit.
- 1.6 This Code is in addition to the obligations outlined in the Royal Charter and Framework Agreement and any protocol, regulation or policy approved by the Trust from time to time.
- 1.7 Nothing in this Code requires or permits a Member of the Trust to act in a way that would be unlawful.
- 1.8 The Trust may approve amendments to this Code from time to time.

## 2. Personal Interests

- 2.1 A Member of the Trust must not use their position, or confidential corporate information obtained by him or her relating to the BBC, to gain an advantage for themselves or someone else or to cause detriment to the BBC.
- 2.2 A conflict of interest may arise when a personal interest or activity could influence, or might appear to influence, a Member of the Trust's ability to act in the best interests of licence fee payers or put at risk the independence of the BBC. Any conflict between Member's personal interests and the discharge of their duties must be avoided.

- 2.3 Members of the Trust have adopted the same conflict of interest principles that apply to people who work for the BBC; however, the arrangements for monitoring and implementation are specific to the Trust. The principles are:
- (a) No-one should allow their outside activities to interfere with their BBC work or allow any conflict between their duties and their private interests to affect their ability to carry out those duties effectively.
  - (b) No-one should make use of, or exploit, the BBC's name, their connection with the BBC or information obtained in the course of their duties to further their own private interest or those of any outside organisation to the detriment of the BBC.
  - (c) No-one should act in a manner likely to bring the BBC into disrepute or affect its reputation for impartiality.
- 2.4 The procedures for the management of Members' interests, and potential conflicts, are outlined in [Annex B](#).
- 2.5 The Trust's Standing Orders make provision for the management of potential conflicts at a meeting of the Trust.

### 3. Accepting Hospitality and Gifts

- 3.1 A conflict of interest may also arise if a Member, when undertaking their duties, seeks or accepts hospitality and/or gifts which may influence or appear to influence their decision making, or appear to influence the Member's ability to discharge their duties in the public interest.
- 3.2 Members are expected to attend events and engage with a wide range of stakeholders and hospitality is an accepted part of a business relationship. However, Members should not allow a position to be reached whereby its acceptance might be deemed by others to have influenced a decision or led to a potential allegation of conflict of interests.
- 3.3 Members must not solicit or accept benefits, entertainment or gifts in exchange for, or as inducement for doing any act associated with their duties or responsibilities
- 3.4 The procedures for declaring hospitality are outlined in [Annex C](#).

### 4. Travel, Accommodation and Expenses

- 4.1 Travel and accommodation will be provided for Members of the Trust when undertaking their duties. Members are also able to recover expenses reasonably and necessarily incurred through the course of their duties.
- 4.2 Members will be mindful of the need to incur all travel, accommodation and general expenses by the most cost effective means available, consistent with

completing their duties effectively and recognising the various demands on their time.

- 4.3 A report of Members' expenses will be publicly available through the Trust's website.
- 4.4 Detailed guidelines on booking travel and accommodation and claiming expenses are contained in [Annex D](#).

## 5. Support for Members of the Trust

- 5.1 Members of the Trust are entitled to be provided with sufficient support to complete their duties effectively. This includes administrative support from the Trust Unit and equipment to support working from home.
- 5.2 Further details of support provided to Members of the Trust are outlined in [Annex E](#).

## 6. Public comment and participation in the media

- 6.1 The Trust acts on the basis of collective decision making. When commenting publicly on matters related to the Trust, Members of the Trust will co-ordinate their comments with their fellow Members and, unless otherwise agreed, reflect the agreed position of the Trust.
- 6.2 Members of the Trust must co-ordinate invitations to represent the Trust at public events. Briefing and support will be provided by the Trust Unit.
- 6.3 Members must not publicly state personal opinions on matters under active consideration by the Trust. In the event of unsolicited contact by the media, Members of the Trust shall alert the Trust Unit Communications team as soon as possible.
- 6.4 Members are not permitted to accept any payment when contributing to any media in his or her capacity as a Member of the BBC Trust.
- 6.5 Members are free to broadcast and contribute to the media in a private or professional capacity about matters unrelated to their responsibilities as a BBC Trust Member, but will use their discretion as to the frequency and character of such broadcasts or contributions, and take advice from the Chairman (or the Vice Chairman) regarding potential conflicts.
- 6.6 Members may accept a fee for work commissioned by the BBC, or its subsidiary companies, when they participate in a professional capacity for which, by reason of their acknowledged expertise, they (or an organisation in which they have an interest) are particularly qualified. Such arrangements must be authorised by the Chairman (or the Vice Chairman).

## 7. Political Activities

- 7.1 It is a duty of the Trust to ensure that the independence of the BBC is maintained and that the BBC discharges its obligation to maintain impartial coverage of controversial subjects. It is therefore inappropriate for a Member of the Trust to hold office in a political party or be actively involved in partisan political activities of a significant and continuing nature.
- 7.2 Members are entitled to be a member of a political party or organisation. However they must not engage in any overt political activity.
- 7.3 The House of Commons Disqualification Act 1975, the Scottish Parliament (Disqualification) Order 2007, National Assembly for Wales (Disqualification) Order 2003 and the Northern Ireland Assembly Disqualification Act 1975 apply to all Members of the Trust and as such Members of the Trust are disqualified from seeking election to the House of Commons, the Scottish Parliament, the Welsh and Northern Ireland Assemblies and the European Parliament.
- 7.4 Members of the House of Lords will be guided in their conduct by the rules set out in paragraphs 4.66 and 4.67 of the Companion to the Standing Orders and Guide to the Proceedings of the House of Lords (20th edition)<sup>1</sup>.

## 8. Confidentiality Undertaking

- 8.1 Members of the Trust will be asked to sign confidentiality undertakings relating to their duties as a Member both during and after their term of appointment. A copy is attached at [Annex F](#).
- 8.2 Members will receive and be party to a large amount of information relating to the BBC during the course of their duties, much of which will be commercially or editorially sensitive. Members of the Trust will be asked to agree to keep all information confidential, in line with their fiduciary duties to the Corporation.

## 9. Criminal and Civil Liability

- 9.1 Individual Members who act honestly, reasonably, in good faith and without negligence will not have to meet any personal civil liability which is incurred in execution or purported execution of their duties as a Member of the BBC Trust.
- 9.2 The BBC will take out professional indemnity insurance for all Members of the Trust.

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<sup>1</sup> See <http://www.publications.parliament.uk/pa/ld/ldcomp/composo2010/ldctso07.htm#a67>. These clauses refer to members and employees of public boards.

## **10. Compliance with the Code of Practice**

- 10.1 As part of the annual performance review process the Trust will review compliance with this Code of Practice and consider any necessary amendments.
- 10.2 Members may wish to seek the advice of the Director, BBC Trust in relation to any matters arising from the Code of Practice.

**Last updated by the BBC Trust 27 March 2014**

# Annex A

## The Seven Principles of Public Life

### Selflessness

- Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family, or their friends.

### Integrity

- Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

### Objectivity

- In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merits.

### Accountability

- Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

### Openness

- Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

### Honesty

- Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interests.

### Leadership

- Holders of public office should promote and support these principles by leadership and example.



# Annex B

## Procedures for Managing Members' Interests

- 1 On taking office, Members of the Trust shall make a declaration of all interests which might be seen to affect his or her ability to perform the duties of a Member of the Trust. Any such interests shall be recorded in the Trust's Register of Interests which is maintained by the Trust Unit and published on the Trust's website.
- 2 Members shall also state in their declaration any relevant employment or significant financial interest of family members where a conflict of interest, or perceived conflict of interest, might arise - for example, when family members are employed by the BBC, a BBC supplier or significant competitor.
- 3 Members should consult the Chairman before accepting new appointments. The Chairman will consult with the Chair of the Value for Money Committee before accepting new appointments himself and, where appropriate, regarding potential conflicts of interest for other Members.
- 4 Each Member shall inform the Trust Unit when there are changes to their personal interests and formally review their declaration every six months. When updating this declaration, Members of the Trust are asked to sign a statement asserting that they had not been party to any decision by the BBC to contract with any of the parties with whom they have an interest.
- 5 The Trust's Register of Interests is publicly available through the Trust's website.
- 6 Members are required to disclose their interests in the following categories:
  - (a) positions of employment
  - (b) remunerated executive and non-executive directorships
  - (c) voluntary positions, including unpaid directorships, trusteeships, board and committee memberships
  - (d) controlling interests in partnerships, companies or trusts which may transact with the BBC. (The controlling interest may be through the Member of the Trust alone or through family members or a combination of both.)
  - (e) shareholding of over 5% in any company operating in the same market as the BBC or with a substantial contract with the BBC.
  - (f) relevant interests of family members
  - (g) any other interest which the Member believes might reasonably be seen as relevant to the exercise of their duties as a Member of the BBC Trust.

- 7 The requirement to declare an interest in any company operating in the same market as the BBC does not remove the requirement of any Member of the Trust to declare their interest in any other companies that they believe may give rise to a real, or perceived, conflict.
- 8 For the purposes of this declaration, family members shall be taken as being a Member's spouse or partner, their children and anyone else living permanently in the Member's primary household.
- 9 The register of declarations is reviewed annually by the Trust Management Group to satisfy itself that no Member's interests impact upon his or her ability to perform the duties of office.
- 10 The declaration of an interest in the Trust's Register of Interests does not remove the obligation of a Member to declare in meetings of the Trust, or its committees, all interests, whether registrable or not, which are relevant to the business being considered.

# Annex C

## Procedures for Managing Members' Hospitality

- 1 Members shall inform the Trust Unit of all relevant hospitality on a three monthly basis.
- 2 A hospitality register is published on the Trust's website and updated twice per year.
- 3 Relevant hospitality consists of:
  - (a) all external hospitality received in their capacity as a Member of the Trust
  - (b) external hospitality received in a non-BBC Trust Member capacity which may, or appears to, give rise to a conflict of interest
  - (c) entertainment received from the BBC Executive
  - (d) hospitality provided to external contacts with a value of £25 or over.
- 4 Members should not accept gifts with an estimated retail value over £25 from organisations or individuals with whom the Trust has, or might reasonably be expected to have, business dealings. Any such gifts should be returned to the giver.
- 5 In circumstances where the refusal to accept a gift is judged to cause unnecessary offence the Trust Member should pass it to the Trust Unit, which will forward the gift to a BBC charity.
- 6 Reasonable meals and subsistence as part of working lunches or dinners taken in this context are deemed not to be hospitality and as such are not necessary to declare. Similarly, attendance at a reception or to an internal BBC event on Trust business would not, normally, be declared. However, where a Member is a guest at a BBC event which has a ticket value (e.g. football match), or potential for audience participation (e.g. live filming of TV / radio show), attendance at that event will be declared.
- 7 Hospitality provided to Members where they are undertaking a business function (e.g. a dinner provided when a Trustee is giving a speech) or attendance at industry events (including meals) is not necessary to declare.

# Annex D

## Guidance on Expenses, Travel and Accommodation

### General

- 1 Members will incur any expenses by the most cost effective means available, consistent with completing their duties effectively.
- 2 Members should not gain advantage for themselves through expenses, travel or accommodation bookings.
- 3 Membership of frequent traveller or hotel points schemes must not deflect a Member from using a more appropriate option presented by the BBC's preferred suppliers. The BBC will not reimburse membership fees for any such schemes.
- 4 The BBC will not reimburse the cost of railcards.
- 5 Trustees will normally be expected to cover those small amounts of incidental subsistence expenses that would normally be incurred in everyday life.

### Making Bookings and Claims

- 6 Whenever possible all travel, transport and accommodation bookings shall be made through the Trust Unit and the BBC central booking system to ensure value for money and compliance with BBC and EU procurement regulations.
- 7 For all other expenses, reimbursement is for actual expenditure incurred in the course of BBC business and claims should be made through the BBC's online 'e-expenses' system within three months of the expenses being incurred.
- 8 Claims should be submitted with original receipts or invoices (not debit/credit receipts); these should be valid VAT receipts where VAT is claimed back. Payment will be made direct to the Member's bank account.
- 9 The Director, BBC Trust authorises all Trust expenses except the Chairman's and Vice Chairman's which are authorised by the Chair of the Value for Money Committee. If either is unavailable for an extended period, the other may authorise their claims.
- 10 Members should give the Chairman prior notification of a need to incur a cost of £1000 or more (for an individual item) through expenses.

### Travel and Transport

- 11 The BBC will pay for all necessary travel taken by Members in the course of carrying out their duties.

- 12 Trustees should always use the most cost efficient travel option. In most cases this will be obtained by booking through the BBC's central booking systems via the Trust Unit. Members are able to make use of the following forms of transport:
- (a) for short journeys taxi bookings can be made, although members should use public transport where possible;
  - (b) for rail travel under four hours, ticket costs should normally be no more than a fully flexible standard class ticket;
  - (c) for rail travel over four hours, first class rail travel is permitted; and
  - (d) for flights within the UK, economy air travel should be standard practice.
- 13 Reimbursement of any additional travel expenses will be for the actual cost of fares or, in the case of use of a Member's own car, the BBC rate, in line with the HMRC advisory rate.
- 14 If Members need to undertake personal travel as part of a Trust business trip, any additional costs incurred must be met by the Member.
- 15 The BBC will only cover the cost of a spouse or partner's travel if they are involved with BBC business.
- 16 Incidental expenses such as car parking costs, road, bridge tolls and congestion charges are claimable.

#### Accommodation and Meals

- 17 The Trust Unit uses booking agencies for hotel accommodation for Members when business or meetings start too early or finish too late to reasonably allow travel from/to home the same day.
- 18 Hotel costs should usually be no more than £140/night if necessary to meet business requirements (for example, in central London). The following factors should also be taken into account: quality of service; convenience; saving on travel costs (e.g. being close to where meetings are held or other Members are staying); whether extras such as breakfast are included in the price.
- 19 Members may claim for the actual cost of reasonable meals and refreshments incurred whilst working away from home on BBC business. Working meals are dealt with separately (see section 5).
- 20 The actual cost of other incidentals, such as reasonable personal telephone calls or laundry after seven nights away from home, can be claimed. Items such as mini bars, entertainment and gym fees are not claimable.

#### Hospitality and Working Meals

- 21 Where meetings are hosted by the BBC Trust, refreshments and/or meals, as appropriate, will usually be provided.

- 22 It is accepted that it will be appropriate for Members to provide hospitality to guests from outside the BBC Trust (this could include BBC management). The BBC will reimburse Members for such costs incurred when there is a business need to provide hospitality related to their duties. Members should provide the Trust Unit with receipts, details of any costs incurred and the names of any BBC staff to ensure HM Revenue & Customs requirements are met.
- 23 Members are required to ensure that there is a demonstrable and appropriate business reason for providing hospitality, and that the level of expenditure is appropriate to the business purpose.
- 24 Members will, as part of their duties, attend events, both internal BBC and external. Partners would not generally be expected to attend, however, there may be occasions where they have been specifically invited, or where there is a clear business benefit. Partners not engaged or employed by the BBC are not covered by BBC insurance.
- 26 Providing hospitality to, and having working meals with, business contacts is a necessary part of a Member's role. The level should be appropriate and, as an indication, should not exceed £65 per head (including VAT and service) per event on average over the year.

#### Taxable Benefits

- 26 Inland Revenue regard certain costs incurred as being taxable. This includes:
- travel to and from work
  - accommodation and meals at or near work
  - non-business related hospitality
  - the provision of audio visual equipment
  - the cost of a partner attending a BBC event
  - the cost of some hotel incidentals when working away from the normal workplace (the cost of refreshment are not taxable)
  - the cost of personal telephone calls claimed through expenses
  - the payment of tax by the BBC on a taxable benefit
- 27 The value of these benefits is collated by the Trust Unit, for annual reporting to the HM Revenue & Customs and disclosure in the BBC's Annual Report and Accounts. The figures are checked against BBC Group Finance's records to ensure accuracy.
- 28 The BBC covers the costs of this liability for the Trust so there is no further tax to be paid by a Member. The Trust's expenses are reported to the Trust Management Group twice a year and all Members will be asked formally to confirm the total amount incurred plus the associated tax liability in advance of its disclosure in the Annual Report and Accounts.

# Annex E

## Support for Members of the Trust

- 1 The BBC does not provide a full time office for Members. As non-executive, part-time appointees, Members will be expected to undertake a significant element of their work as a BBC Trustee from their home. The BBC will support Members in working from home by loaning suitable home office and telecommunications equipment for them to undertake their duties effectively and securely.
- 2 The BBC will not provide or reimburse the cost of audio and visual equipment or subscriptions for satellite or cable for a Member's home.
- 3 If Members are not provided with a BBC phone or Blackberry, they can claim the cost of business calls made from home or using their own mobile phone or Blackberry (excluding rental charges).
- 4 Members are not required to account for any reasonable personal use on their BBC provided Blackberry or mobile phone consistent with carrying out their duties.
- 5 To assist Members carrying out their duties, the Trust Unit can provide Members with office and stationary supplies and arrange an occupational risk assessment.
- 6 The Trust Unit can provide advice on personal security, arrange a security audit of Members' homes, and, for the term of a Member's appointment, provide additional security measures if recommended by the BBC's Head of Corporate Security.

# Annex F

## Confidentiality Undertaking and Restrictive Covenant

I [name] hereby acknowledge that in providing services to the BBC as a trustee, I may have disclosed to me or I may have access to, verbally or in written form, certain confidential information (see note on reverse) relating to the BBC, its associated companies, and/or its/their directors, officers, employees and/or consultants.

I hereby undertake to hold the information in the strictest confidence and not to disclose it to any other person whomsoever unless specifically instructed or required to do so by the BBC nor make use of it for any purpose other than for the benefit of the BBC in the proper performance of my duties.

I further agree that I will only use the information expressly for the purpose of carrying out the activities of the BBC and not further or otherwise, and to use my reasonable endeavours to prevent the use or disclosure of confidential information by third parties.

I agree that, whenever requested to do so, I shall immediately return to the BBC all BBC group property, including without limitation, all confidential information, together with any copies in whatever medium which may be in my possession or control and will make no further use of or disclosure of any of it.

I agree to comply with the obligations contained in this undertaking notwithstanding the expiry or termination of my appointment for whatever reason.

I understand that this undertaking does not prevent me from using or disclosing confidential information if ordered to do so by a court of competent jurisdiction or a regulatory authority, if authorised by the BBC in writing to do so, or if such information has become public otherwise than by my default.

I agree that for a period of three months or such lesser period as determined by the Chairman or the Vice Chairman of the BBC following the termination of my appointment as a Trust Member of the BBC howsoever arising I shall not take up another appointment with a broadcasting and/or media competitor or regulator of the BBC within the UK unless the Chairman or the Vice Chairman determines that there is no actual or perceived conflict arising from such appointment.

Executed as a Deed by:

[name] Signed: \_\_\_\_\_

in the presence of:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Occupation: \_\_\_\_\_



Signature: \_\_\_\_\_

For the purposes of this undertaking "confidential information" includes, but is not limited to, trustee board minute documentation and/or meeting minutes which are not in the public domain; business plans and policies, and marketing strategies; financial reports and budgets; technical information and know-how relating to the BBC and/or its associated companies which are not in the public domain; unpublished price sensitive information relating to third party securities listed on a stock exchange acquired during the proper performance of duty; personnel information; and any document marked "confidential" (or similar), or any information which you have been told is confidential or which you might reasonably expect the BBC (or any associated company) would regard as confidential.

Version	Date of publication	Approved by the Trust	Summary of changes since previous version
1.0	February 2007	10 January 07	Code of Practice first adopted by the BBC Trust.
1.1	July 2008	17 April 08 and 19 June 08	Amendments agreed by the Trust to: <ul style="list-style-type: none"> <li>- include a hospitality and gifts register;</li> <li>- update guidance on expenses, travel and accommodation;</li> <li>- include a revised policy on provision of audio visual equipment and technology support for Members;</li> <li>- include new arrangements for publication and scrutiny of Members expenses; and</li> <li>- revise the procedure for managing Members' interests and other appointments.</li> </ul>
1.2	October 2009	15 October 09	Amendments agreed by the Trust to: <ul style="list-style-type: none"> <li>- include changes to the procedures for managing Members' interests;</li> <li>- clarify procedures for managing Members' hospitality;</li> <li>- update guidance on expenses; and</li> <li>- clarify support provided for Members.</li> </ul>
1.3	September 2010	9 September 10	Amendments agreed by the Trust to: <ul style="list-style-type: none"> <li>- amend guidance on transport and hotel costs; and</li> <li>- make consequential amendments to disqualification orders.</li> </ul>
1.4	April 2012	26 April 12	April 2012 amendments: <ul style="list-style-type: none"> <li>- amend guidance on hotel costs</li> <li>- make consequential amendments</li> </ul>
1.5	April 2014	27 March 2014	Amendments to reflect the new Trust committee structure