

Report – Bridge House Estates Board

Bridge House Estates (BHE) – Conflict of Interest Policy

To be presented on Thursday, 9th March 2023

*To the Right Honourable The Lord Mayor, Aldermen and Commons
of the City of London in Common Council assembled.*

SUMMARY

This report seeks the Court's approval of a Bridge House Estates (BHE) Conflicts of Interest Policy which will support the Trustee (and Members individually) in managing conflicts of interest and loyalty in discharging the City Corporation's functions as trustee of BHE and when acting in the City Corporation's other capacities. The proposed Policy reflects the requirements of the charity's new Supplemental Royal Charter (the grant of which was approved by His Majesty on 15 February, with sealing awaited at the time of writing this report) and has been drafted with reference to the City Corporation's Members Code of Conduct (and current consideration of its revision) in a way which complies with charity good governance standards, and will allow the Trustee to demonstrate that decisions have been properly and impartially taken for Bridge House Estates' benefit within the City Corporation's own governance framework.

Your BHE Board has considered and endorsed the proposed policy, which is now recommended to the Court of Common Council for approval.

Recommendations

It is recommended that the Members of the Court of Common Council, in discharge of functions for the City Corporation as Trustee of Bridge House Estates and solely in the charity's best interests:

- i) Subject to the grant of the new Supplemental Royal Charter for Bridge House Estates, agree that the proposed Bridge House Estates Conflicts of Interests Policy at Appendix A be adopted as being in the best interests of the charity, with effect from the date on which the Supplemental Royal Charter is granted.

Main Report

Background

1. The City Corporation (acting by the Court of Common Council) (the City Corporation) is the corporate charity trustee of Bridge House Estates (BHE or the Charity). The City Corporation also has many other functions and duties (including as a local authority) and also acts in its general corporate capacity. The City Corporation, consistent with its duties as charity trustee of BHE, has undertaken a review of the Charity's governance and administration. As a consequence of this review, a Petition was submitted to Her Late Majesty in 2022 for the grant of a new Supplemental Royal

Charter *inter alia* for the express grant of new and modern powers to the Trustee for the administration of the Charity.

2. Recognising the unique and historic role of the City Corporation in the administration and management of BHE, which has existed for centuries, the Supplemental Charter also includes provisions to expressly deal with the management of conflicts of interest or loyalty for the City Corporation in administering the Charity alongside its other functions, which conflicts have historically been principally managed in accordance with the Trustee's implied duties and powers, and custom and practice.

Current Position & Decisions Sought

3. Charity trustees owe a duty of "single-minded loyalty" to further their charity's purposes, except to the extent that the charity's governing documents permit them, expressly or by implication, to consider other factors. The mechanism (set out in the 2023 Supplemental Charter which will regulate BHE, once the grant is made) expressly allows the City Corporation to manage conflicts of interest and duty, in a way which complies with good governance standards, demonstrates that decisions taken in its capacity as corporate trustee of BHE have been properly and impartially taken for BHE's benefit and is consistent with the established workings and governance of the City Corporation. This includes a requirement to maintain a policy setting out appropriate steps to manage conflicts situations.
4. The grant of the new Supplemental Charter was approved by His Majesty on 15 February, with sealing awaited at the date of writing this report. In anticipation, the Court's approval is sought for the Bridge House Estates Conflicts of Interest Policy at Appendix A, in the Court's capacity as BHE's Trustee in the Charity's best interests. It is proposed that the Policy take effect from the date of the sealing of the Supplemental Royal Charter.
5. The Policy has been prepared with reference to the City Corporation's Members' Code of Conduct to ensure that the Policy and the Code are appropriately aligned (including in the current review of the Code) and are consistent with the Charity's governing documents of which the Supplemental Charter is one.

Conclusion

6. It is recommended as being in BHE's best interests that a Conflicts of Interest Policy drafted specifically for the Charity and operating within the City Corporation's corporate governance framework be adopted, and this report presents that Policy for this Honourable Court's consideration and approval.

All of which we submit to the judgement of this Honourable Court.

DATED this 22nd day of February 2023.

SIGNED on behalf of the Board.

Deputy Dr Giles Shilson
Chair, Bridge House Estates Board

Appendices

Appendix A - Bridge House Estates Conflicts of Interest Policy