

THE TRUSTEE BOARD ROLES & RESPONSIBILITIES

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THE TRUSTEE BOARD

ROLES & RESPONSIBILITIES

Main duties and responsibilities for all trustees

- ❖ Maintaining an awareness of the business
- ❖ Taking responsibility for own learning and development
- ❖ Regularly attending and taking a full part in meetings
- ❖ Actively contributing to setting strategic direction
- ❖ Monitoring the financial position and ensuring that it operates within its means and that there are clear lines of accountability for financial management
- ❖ Acting in the best interests of the organisation at all times
- ❖ Maintaining confidentiality about any sensitive or confidential information received in the course of duties as a trustee

Personal skills and qualities for all trustees

- ❖ Commitment and availability to attend Board meetings
- ❖ Effective communication skills and willingness to participate actively in discussion
- ❖ Willingness to gain knowledge of local needs and resources
- ❖ Willingness to act in the best interests of the organisation
- ❖ Ability to understand and accept responsibilities and liabilities as trustees and employers
- ❖ Good numeracy skills, to the extent required to understand your accounts with the support of a treasurer
- ❖ Willingness and ability to learn, develop and examine own attitudes of the organisation
- ❖ Work effectively as a member of a team

Chair role profile

- ❖ Take control of meetings, ensuring that everyone who wishes to has a reasonable chance to speak and take part
- ❖ Be able to listen to and understand a wide range of view, present information clearly and concisely and get clarification of relevant points, thus enabling the board to make effective decisions
- ❖ Enable the board to demonstrate its leadership of the organisation

Personal skills and qualities

- ❖ Leadership skills
- ❖ Experience of chairing meetings and committee work
- ❖ Facilitation skills
- ❖ Tact and diplomacy
- ❖ Excellent communication and interpersonal skills impartiality, fairness and the ability to respect confidence

Main duties and responsibilities

Advisable that in some cases these are delegated to or shared with other trustees

- ❖ Planning the annual cycle of board meetings, and chairing and facilitating these to ensure their smooth running
- ❖ Planning the agenda for meetings with the secretary
- ❖ Developing membership of the trustee board to ensure that it contains the diverse range of skills, experience and knowledge needed to operate effectively, with due consideration for community representation
- ❖ Ensuring that successors for key posts – treasurer, chair etc. are identified and inducted in good time
- ❖ Ensure trustees receive induction and ample training to enable them to fulfil their roles
- ❖ Monitor the calibre, level of commitment and attendance of all trustees
- ❖ Ensure that the board reviews its own work and how effectively it operates, making sure to take any corrective action required
- ❖ Check that decisions taken at meetings are being implemented
- ❖ In conjunction with the treasurer, ensure proper management and control of finances
- ❖ Providing or arranging for support and supervision for staff, including annual appraisal
- ❖ Representation in the community at public events
- ❖ Representation in relationships with funders and negotiating for funds for staffing, premises or equipment
- ❖ Ensuring that the board plans for the recruitment and turnover of paid staff and volunteers

Resources

Small Charities Coalition website: www.smallcharities.org.uk

Vice-chair role profile

- ❖ Carrying out the chair's duties in their absence, with the acknowledgement of the board as being capable and suitable to do so
- ❖ Providing support and assistance to the chair in carrying out their responsibilities, acting as a 'critical friend' and sounding board
- ❖ Taking on specific responsibilities from the chair, such as inducting new trustees
- ❖ Being open to approaches, where appropriate, from other trustees about the work or judgement of the chair. The vice-chair will then discuss any issues arising with the chair

Personal skills and qualities

- ❖ Leadership skills
- ❖ Experience of committee work
- ❖ Facilitation skills
- ❖ Tact and diplomacy
- ❖ Excellent communication and interpersonal skills □ Impartiality, fairness and the ability to respect confidences
- ❖ It is desirable for the vice-chair to have knowledge of the type of work undertaken by the forum and a willingness to keep ahead of the changes to the organisation that take place.

Resources

The NCVO have produced a two-part fact sheet entitled 'Defining the role of Vice Chair' and 'The relationship of the Vice Chair and Chair'. This suggests some useful questions to ask when considering this role.

NCVO website 'Services and support page': www.ncvo.org.uk

Secretary Role Profile

- ❖ The company secretary is the chief administrative officer of the company or, if no such position exists, the person who calls, administers and minutes the trustee board and general meetings
- ❖ The secretary could be a member of the board or a senior forum member
- ❖ If there is no-one with sufficient knowledge or expertise you can engage a chartered secretary working in the public practice to undertake certain tasks contact: Institute of Chartered Secretaries and Administrators www.icsa.org.uk
- ❖ Ensure all meetings are held and conducted according to the articles of association
- ❖ Ensure all necessary documentation is sent to Companies House and the Charity Commission within the deadlines set
- ❖ Ensure trustees are correctly appointment according to the law and the articles
- ❖ Arrange and administer meetings, prepare and circulate agendas
- ❖ Ensure meetings are properly convened, constituted and quorate
- ❖ Confirm what decisions have been made and monitor their implementation
- ❖ Keep minutes and ensure that proper records are kept
- ❖ Provide trustees with additional information to facilitate decision-making
- ❖ Provide the board with guidance about charity and company law
- ❖ Ensure that all general meetings are convened in accordance with legal requirements
- ❖ Ensure that insurance requirements are fulfilled
- ❖ Develop and implement a periodic 'legal health check' to monitor employment procedures, audit the articles, review property leases etc.
- ❖ Ensure that stationery, invoices and other documents include all details required under company law

Treasurer Role Profile

- ❖ The role of the treasurer is to ensure that all finances and the supporting financial control systems are kept in order
- ❖ The treasurer is not the bookkeeper. He/she does not hold or maintain the financial records nor is he/she the sole custodian of the cheque book
- ❖ The treasurer must delegate day-to-day financial management to the forum manger or other staff
- ❖ Guiding and advising the board in the approval of budgets, accounts and financial statements, within a relevant financial policy framework
- ❖ Keeping the board informed about its financial duties and responsibilities
- ❖ Advising on the financial implications of the bureau's strategic plans and key assumptions in the operational plan and annual budget
- ❖ Ensuring that all board members have a clear understanding of the accounts presented at meetings and the implications that they reveal
- ❖ Understanding the accounting procedures and key internal controls to be able to assure the board that the charity's financial integrity is sound

Resources

There is information on the role of treasurer and support for people in this role on the Honorary Treasurers' Forum website: www.honorarytreasurers.org.uk

Trustee Liability

There are two types of liability that trustees need to consider

1. Liability to the organisation itself for breach of trust
2. Liability to third parties for the debts of the organisation, e.g. arising from breach of contract or negligence by the organisation

Liability for breach of trust

- ❖ Trustees may be liable if they act recklessly or dishonestly and the organisation suffers loss as a result of their actions
- ❖ Unlikely that trustees will be found personally liable if they have acted honestly and reasonably
- ❖ The courts are reluctant to find trustees liable except in cases of fraud or gross neglect note that the question of whether a trustee has acted reasonably may depend on the level of skill and knowledge that they have, e.g. a solicitor or accountant may be judged by the higher standards than a court would expect of a person with professional knowledge and experience.

Liability to third parties

- ❖ Charitable companies have their own legal personality – contracts in the name of the company
- ❖ The company is liable for its own debts, not the members and trustees
- ❖ Member liability is limited to paying a nominal amount (usually £1) towards the assets of the company if it is insolvent on winding up
- ❖ Trustees can be personally liable for
 - Acting as a charity trustee when disqualified
 - Failure to comply with relevant statutory requirements in areas such as health and safety, company law and financial services
 - Failure to deduct an employee's PAYE