



Community &
Voluntary Services
cheshire east

Trustee Roles and Responsibilities – a closer look

Welcome and Introductions



Learning Outcomes

By the end of the session learners will have:

- A greater understanding of the legal responsibilities of being a trustee
- Information on how trustees contribute to their organisation best
- Knowledge of policies, procedures and practices that their organisation needs to have in place
- Confidence in running their organisation effectively
- Understanding of management strategies and tools

What you already know...

It is expected that attending the course learners know:

- Types of legal form
- What legal form their organisation is
- What a governing document is
- How to check trustee eligibility
- Understanding of Public benefit

Everything you need to know as a trustee...

Compliance

Duty of Care

Duty of
prudence

Conflicts of
interest

Managing
Risk

Succession
Planning

Strategic
Planning

Operational
Management

Trusteeship
in Action

Compliance

Comply with your charity's governing document and the law

- With the terms of the governing document
- With requirements of any regulator
- With legal requirements

Group exercise – compliance

Can the 'Be in it Group' :

1. Have a stall in the Town Square giving out leaflets, balloons and pens about the group ?
2. Run a charity football match open to all local primary school children
3. Run a workshop on sensory impairment?
4. Raise money to send children with terminal illnesses on holiday?

Can the Trustees:

1. Hold a general meeting at which three trustees are present ?
2. Decide to run a street collection in Rhyl, North Wales ?
3. Pay expenses for Trustees to attend a weekend craft course in the Lake District ?
4. Engage the husband of the Group Secretary to do emergency plumbing repairs ?
5. Purchase items for the charity?

Short Break

Duty of care

What does a trustee look like?



Duty of Care

Act in your charity's best interests

Trustees must:

- Act responsibly and only in the interests of the charity
- Use reasonable care and skill giving enough time, thought and energy to duties as a Trustee
- Make well-informed decisions, taking advice when you need to
- Duty of care to charity staff and volunteers

Duty of Prudence

Manage your charity's resources responsibly

- Financial Management
- Keeping Accounts
- Protecting Assets



New to finance ? What role should you play as a Trustee?

Basic skills needed:

- Know how to read budgets and accounts
- Know how to interpret financial reports
- Have sufficient understanding to know when to ask for professional advice
- Understand and monitor fundraising plan
- Know how to recognise a potential fraud or insolvency situation

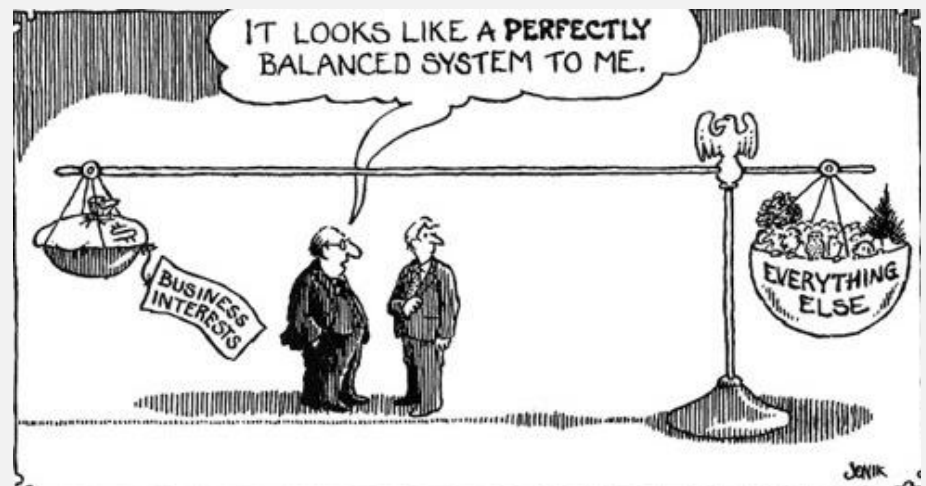
Key finance questions

- Are we running at a gain or a loss?
- Are key expenses under control ?
- Do we have sufficient reserves ?
- Is the cash flow adequate?
- Where are we compared to the budget?
- Is our financial plan consistent with our strategic plan?
- Are we filing reports on time ?

Conflict Of Interest

- A conflict of interest is any situation in which a trustee's personal interests or loyalties could, or could be seen to, prevent the trustee from making a decision only in the best interests of the charity.

- Identify
- Prevent
- Record



Managing Conflict of Interest

- Trustee or someone related to them might stand to benefit personally e.g. receive payment goods or services
- Where loyalties are divided because a Trustee is also a member of another organisation with conflicting /competing aspirations

When you realise a potential conflict may arise you must declare it so it can be properly managed by the organisation

Any Questions?





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Day 2

Everything you need to know as a trustee...

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Managing Risks

- Are you a risk taker – or risk averse?
- Identify
- Determine Appetite
- Analyse
- Prioritise
- Reduce and Control
- Give Assurance



Identifying risk

- Governance
- Organisational
- Regulatory
- Financial
- Reputational



Analysing and Prioritising risk

Impact	Extreme/ Catastrophic	5	10	15	20	25	30
	Major	4	8	12	16	20	24
	Moderate	3	6	9	12	15	18
	Minor	2	4	6	8	10	12
	Insignificant	1	2	3	4	5	6
			1	2	3	4	5
			Remote	Unlikely	Possible	Probable	Highly Probable
			Likelihood				

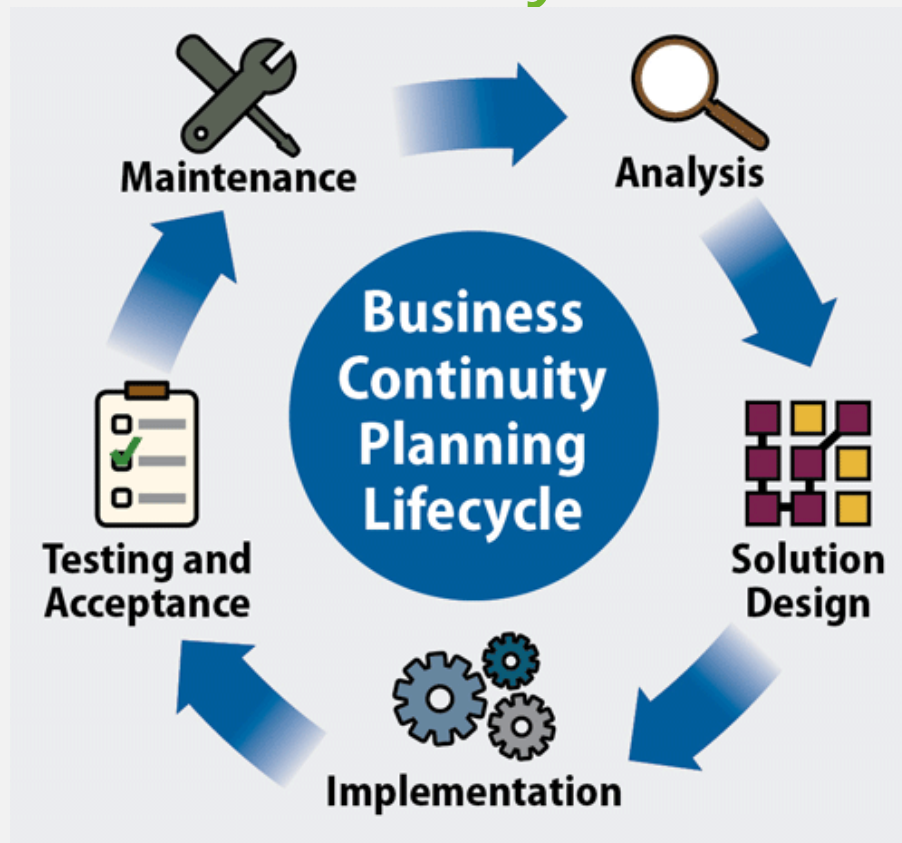
Reduce, Control and Give Assurance

- By having sensible internal controls – good financial management, policies & procedures, trustee code of conduct
- Everyone in the organisation is clear about their role and responsibilities
- By having insurances which help to manage against the main risks – public liability, employers liability, professional negligence, trustee liability insurance
- By having the right organisational structure which protects Trustees –i.e. incorporation where appropriate
- By taking appropriate professional advice when necessary and investing in board training and development

Succession Planning

- Personnel
- Finance
- IT and Data
- Premises

Business Continuity Planning



Strategic Planning

- Vision, Mission , Aims
- SWOT and PESTLE Analyses
- Income Generation Strategy



Delegated Authority

Who can make the following decisions?

Signing up to a
multi-year
photocopier
contract

Deciding on
writing funding
application for
£500k

Hiring an admin
worker

Spending £300 on
a gazebo

Agreeing KPIs for
staff

Starting a joint
project with a
neighbouring
organisation

Writing the
strategic plan

Securing a local
business as
sponsors for your
minibus

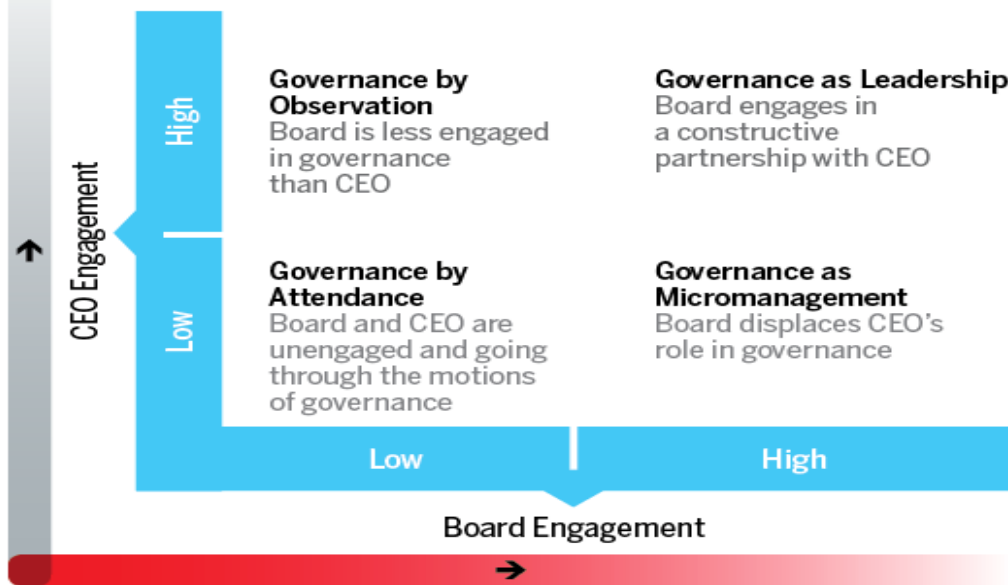
Operational Management



What type of Board are you?

- **Passive**
- **Certifying**
- **Intervening**
- **Engaged**
- **Operating**

HOW DOES YOUR BOARD GOVERN?



Adapted with permission from *Governance as Leadership: Reframing the Work of Nonprofit Boards*, by Richard P. Chait, William P. Ryan, and Barbara E. Taylor (BoardSource/Wiley, 2005).

Trustee meetings

- Read the papers beforehand
- Carry out the tasks you agreed to do
- Make a note of any issues not understood or where you have comments/questions
- Check that there is nothing where you might have to declare a conflict of interest
- Check that you have enough Trustees present for the meeting to be quorate
- During the meeting be prepared to say if you have concerns or ask questions if you do not understand anything
- Make sure your comments are noted
- Send apologies if cannot attend – can still send in written comments/questions to the Chair

Trustees making decisions

- Trustees make decisions about their charity together, working as a team.
- They are collectively responsible for the decisions they make.
- Decisions don't usually need to be unanimous once the majority of trustees agree
- Identify and research potential risks carefully before a decision is made, especially before your charity enters into any contracts or borrows money.

Trusteeship in action

- Set and maintain vision
- Develop strategy
- Establish and monitor policies and procedures
- Ensure compliance with governing document
- Ensure accountability
- Ensure compliance with the law
- Maintain proper fiscal oversight
- Respect the domain & role of staff and volunteers
- Maintain effective board performance
- Promote the organisation
- Set up employment procedures
- Select and support the Chief Officer

Questions you should ask

- What effect is the current economic climate having on our charity and its activities?
- Are we financially strong enough to continue to provide services for our beneficiaries?
- What is our policy on reserves?
- Have we reviewed our contractual commitments?
- Are we an effective trustee body?
- Are we making the best use of our staff and volunteers?
- Have we considered collaborating with other charities?

Taken from <https://www.gov.uk/government/publications/charity-trustee-meetings-15-questions-you-should-ask>

Recap



Check your organisation

Policies:

- Volunteer Policy
- Health and Safety
- Safeguarding - Adults at Risk
- Safeguarding - Children
- Equality and Diversity
- Financial Handling
- Data Protection and Confidentiality (GDPR)
- Complaints
- Employment policies (if an employer)
- Adequate insurance e.g. Public liability insurance

GRIPP Checklist:

Organisational healthcheck

Identify gaps

Identify progression

Developing your skills as a Trustee

- Trustees can get general information about their role from the or the National Council for Voluntary Organisations (NCVO)
- www.gov.uk
- Charity Commission website
- Charity Finance Group can help with accounting and reporting.
- CVS offer advice and support, training and Trustee Networks
- Association of Chairs

Where to get further help

- CVS Cheshire East – Membership Services Team
enquiries@cvsce.org.uk www.cvsce.org.uk
- Trustee Network Events
- National Council for Voluntary Organisations www.ncvo.org.uk especially The Good Trustee Guide
- National Association for Voluntary and Community Action www.navca.org.uk
- Charity Commission <https://www.gov.uk/government/organisations/charity-commission>

Any Questions?

