

Trustee induction training

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Third sector voluntary and community organisations

- Community businesses /social enterprises/CICs
- Mutuels/workers co-operatives/self-help groups
- Community benefit co-operatives/industrial and provident societies
- Housing associations/registered social landlords
- Charities registered with the Charity Commission
 - Unincorporated associations
 - Trusts
 - Companies Limited by guarantee
 - Statute royal charter etc
 - Charitable incorporated organisations (CIOs)
- Unregistered charities and charities regulated elsewhere

A governance role

“The ultimate responsibility for directing the charity ensuring that it is solvent, well run and delivering charitable outcomes for the benefit of the public for which it is set up” – Charity Commission

Key elements of governance

- Set the goal
- Approve and monitor policy and practice
- Ensure legal compliance

Duties of a charity trustee

- To follow the rules in the governing document
- Trustees must act collectively
- Trustees must use reasonable care and skill
- Activities only to achieve the objects
- No personal benefit
- Comply with the law and to particular charity rules and duties – trading, property, etc.

Trustees as directors

- Exercising appropriate level of care and skill
- Directors duties
- Compliance with statute
- Personal liability
 - Insolvency
 - Breaches you authorise
 - Personal benefit
 - Conflicts of duty
 - Primary responsibility

Assessment

- Organisation size and board size
- Their time requirements / your availability
- What skills do they need?
- First impressions, the CEO, the chair and their operation
- Personal v organisational risk
- History/accounts/business plan/funding streams
- Limited liability/insurance/reputational issues
- Signs of conflict – board turnover
- Proper appointment/induction offered
- Charity Commission website

Induction

- What documents and programme provided?
- Were you properly appointed?
- Are you disqualified?
- CRB checks
- Conflicts of interest and duty disclosure – how will they be managed?

Delivering the purpose

- Are purposes still relevant and valid?
- Are the governance structures up to date?
- Developing, challenging and agreeing a strategy
- Agreeing and monitoring plans and budgets
- Evaluating results and impact
- Reviewing and amending plans and budgets
- Where – Board meetings/committees/away days/CEO chair meeting

Being an effective board

- Recruiting the trustees the board needs – skills audit / succession planning
- Meetings – agenda management / paper quality
- Developing and training board members
- Reviewing performance as individuals and as a team

Exercising effective control

- Meetings
 - Frequency - attendance - duration
- Instituting good internal financial and management controls and monitoring compliance
- Identifying and managing risk – being clear on risk appetite
- Delegation
 - recorded in a scheme of delegation
 - Board adherence to governance / management separation

Behaviours

- An open and trusting environment
- Support, praise and challenge
- Safeguarding and promoting the organisation's reputation
- Acting to high ethical standards - understanding and managing conflicts of interest and loyalty
- Maintaining independent decision making

Being open and accountable

- Developing the trust that enables open communication
- Honouring real confidentiality
- Appropriate consultation on changes
- Listening and responding to support as funders, users and those with an interest
- Handling complaints constructively and effectively
- Considering responsibilities of the wider community

What goes wrong on boards

- Too much deference to staff or chair
- Skimped or just in time approach
- Failure to take up development and networking opportunities
- Not confronting difficulties
- Becoming a manager

What goes wrong with strategy

- Becoming attached to the organisation rather than the purpose
- Seeing staff as beneficiaries
- Following funding not your mission
- Underestimating the importance of reputational risk
- Prudent inaction in the face of strategic risk

Reading and further documentation

- Good Governance

A Code for the Voluntary and Community Sector

- Charity Commission booklets -

- “The essential Trustee What You Need To Know” (CC3)
- “Hallmarks of an Effective Charity” (CC60)

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