

## Becoming a Trustee - a guide



### **Who is a trustee and what is a Trustee Board?**

A trustee is a member of a group of people - the board of trustees, management committee or governing body - who have ultimate responsibility in a charitable organisation.

Trustees take overall legal responsibility for the charity's work

Trustees must act in the best interests of the charity

Trustees often delegate day to day tasks to staff and volunteers

Trustees are usually volunteers - trustees cannot be paid for simply being a trustee. However you can claim for any reasonable expenses for any work you do

Trustees are not often permanent - some trustees have an unlimited term of office but many will need to stand for re-election or take a break at least every few years. This will be set out in the charity's governing document.

### **What is a Charity?**

Charities are set up for public benefit and the work of a charity must fall under one or more of the Charity Commission's 13 descriptions of charitable purposes, as listed in the Charities Act. Most charities are registered with the Charity Commission except very small organisations or those with a special excepted or exempted status.

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Registered Charity Number 1158780

## What are my duties as a trustee?

Trustees have 6 main duties. These are:

### 1. Ensure your charity is carrying out its purposes for the public benefit

You and your co-trustees must make sure that the charity is carrying out the purposes for which it is set up, and no other purpose. This means you should:

- ensure you understand the charity's purposes as set out in its governing document
- plan what your charity will do, and what you want it to achieve
- be able to explain how all of the charity's activities are intended to further or support its purposes

understand how the charity benefits the public by carrying out its purposes

Spending charity funds on the wrong purposes is a very serious matter; in some cases trustees may have to reimburse the charity personally.

### 2. Comply with your charity's governing document and the law

You and your co-trustees must:

- make sure that the charity complies with its governing document

comply with charity law requirements and other laws that apply to your charity

You should take reasonable steps to find out about legal requirements, for example by reading relevant guidance or taking appropriate advice when you need to.

Registered charities must keep their details on the register up to date and ensure they send the right financial and other information to the commission in their annual return or annual update.

### 3. Act in your charity's best interests

You must:

- do what you and your co-trustees (and no one else) decide will best enable the charity to carry out its purposes
- with your co-trustees, make balanced and adequately informed decisions, thinking about the long term as well as the short term
- avoid putting yourself in a position where your duty to your charity conflicts with your personal interests or loyalty to any other person or body

not receive any benefit from the charity unless it's properly authorised and is clearly in the charity's interests; this also includes anyone who is financially connected to you, such as a

partner, dependent child or business partner

#### **4. Manage your charity's resources responsibly**

You must act responsibly, reasonably and honestly. This is sometimes called the duty of prudence. Prudence is about exercising sound judgement. You and your co-trustees must:

make sure the charity's assets are only used to support or carry out its purposes

not take inappropriate risks with the charity's assets or reputation

not over-commit the charity

take special care when investing or borrowing

comply with any restrictions on spending funds

You and your co-trustees should put appropriate procedures and safeguards in place and take reasonable steps to ensure that these are followed. Otherwise you risk making the charity vulnerable to fraud or theft, or other kinds of abuse, and being in breach of your duty.

#### **5. Act with reasonable care and skill**

As someone responsible for governing a charity, you:

must use reasonable care and skill, making use of your skills and experience and taking appropriate advice when necessary

should give enough time, thought and energy to your role, for example by preparing for, attending and actively participating in all trustees' meetings

#### **6. Ensure your charity is accountable**

You and your co-trustees must comply with statutory accounting and reporting requirements. You should also:

be able to demonstrate that your charity is complying with the law, well run and effective

ensure appropriate accountability to members, if your charity has a membership separate from the trustees

ensure accountability within the charity, particularly where you delegate responsibility for particular tasks or decisions to staff or volunteers

#### **Who is eligible to be a trustee?**

You must be over 16 years old to be a trustee of a Charitable Incorporated Organisation or a Charitable Company, or at least 18 for any other Charity.

You cannot be disqualified under the Charities Act or bankrupted.

You must not have any unspent conviction for an offence involving dishonesty or deception.

You cannot act as a trustee if you have been removed as a Company Director or charity trustee because of wrongdoing.

### **What skills and experience do I need?**

Trustee boards need all kinds of skills to govern effectively. Any of these:

The 'hard' skills - legal, financial, management and so on - which are necessary to understand some of the complex decisions to be taken

The 'soft' skills - boards of trustees need people who can encourage teamworking, problem solving, asking difficult questions, decision making

Different experiences and perspectives - charities increasingly need to be more responsive of the communities they serve. They should bring in diverse perspectives and backgrounds

Values - trustees have an important duty and all should be able to demonstrate basic values such as honesty and integrity

### **What are the benefits of being a trustee?**

- You can put your skills and experience to use and make a lasting difference to a cause you care about
- You can learn about the management and strategy side of charities by taking on a leadership role
- With generally 4 compulsory annual meetings, it's the perfect volunteering opportunity for busy people
- You could be working with new and interesting people from diverse backgrounds

The experience will enhance your CV and may open doors to new career paths

### **Before becoming a trustee, what should I know?**

As a new trustee you need to know about the charity, how it operates and your role as

trustee and what is expected of you. Many charities have an induction process for new trustees, which will allow you to settle in and contribute effectively whilst recognising any support needs you may have. This may include an induction pack, an opportunity to meet the Chairman, fellow trustees, staff, volunteers and site visits.

### **What do I do next?**

Read the Charity Commission's Essential Trustee publication (CC3) at <https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3/the-essential-trustee-what-you-need-to-know-what-you-need-to-do#s3>

Search [www.msva.org.uk/opportunities](http://www.msva.org.uk/opportunities) for available Trustee roles or contact MSVA to register your interest in joining the trustee board of a local charity at [volunteering@msva.org.uk](mailto:volunteering@msva.org.uk).

Visit <http://www.gettingonboard.org/> to register your interest in becoming a trustee and read about case studies

Visit NCVO's website <https://www.ncvo.org.uk/ncvo-volunteering> to find out about volunteering in general - lots of useful information and guidance

Look out for advertisements in local or national newspapers, in newsletters, professional journals, notice boards, community centres, and others

Membership - organisations with a membership structure may elect trustees from their membership

Ask people who are trustees or work for charities

Volunteering is a good first step to trusteeship - you may want to consider becoming a trustee with an organisation that you are already involved with, or have previously had an involvement with.

User representation - organisations that provide services are increasingly involving service users in their management. Service users can be recruited onto the board by invitation or through formal election

Nomination - Sometimes a number of trustee places are reserved for representatives from specified organisations, such as funders or partner organisations.