
What is a Trustee?

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Trustees are the people responsible for ensuring that an organisation has a clear strategy, that it remains true to its original vision, and that it complies with all necessary rules and legal obligations.

Collectively, trustees are known as **the board**, and they have a number of formal roles and responsibilities, which include appointing key people and keeping a check on the organisation's finances and activities. You can think of a trustee as a guardian looking out for the organisation's best interests and promoting its aims in the wider world.

Trustees guide the organisation. They make sure it's heading in the right direction and doing what it was set up to do. Trustees shouldn't get involved in the detailed, day-to-day running of the organisation: that's the job of the **chief executive** and **staff team**. (But in a small organisation trustees may wear several hats - including those of chief executive or manager.)

The role of trustee is voluntary. However, the Charities Act 2006 allows for trustees to be paid for providing goods or services to a charity if certain conditions are satisfied. This will come into effect in early 2008 (this information sheet will be updated and include these new allowances).

What's in a name?

Just to make things even trickier, trustees may not be called trustees at all. They may be called **members of the committee, management committee members, directors, executive committee members, governors** or something completely different.

The voting members of the top governing or supervisory body of a **charity** are its **charity trustees**. If the charity is also a company limited under guarantee, then the trustees are also directors of the charity.



The Charities Act 1993 states that charity trustees are 'the people responsible under the charity's **governing document** for controlling the management and administration of the charity, regardless of what they are called'.

What is a Governing Document?

The governing document is the rulebook for the organisation. The trustees make sure it is followed. If you are a company - which means you are incorporated - your governing document will be your **Memorandum & Articles of Association**. If you are an unincorporated group, your governing document may be your **Constitution or Rules**. The Governance Hub has produced a Governance Code especially for voluntary & community organisations (including charities). You can download a copy at www.governancehub.org.uk or phone (020) 7520 2514.

What do trustees do?

Every organisation should be lead by an effective board of trustees. Trustee boards have twelve main roles:

1. Set and maintain vision, mission and values

The trustee board is responsible for establishing the essential purpose of the organisation. They are also responsible for guarding the ethos and values of the organisation.

2. Develop strategy

Together, the trustee board and chief executive officer develop long-term strategy.

3. Establish and monitor policies

4. Set up employment procedures

The trustee board creates comprehensive, fair and legal personnel policies. These protect the organisation and those who work for it.

5. Ensure compliance with the governing document

6. Ensure accountability

The trustees should ensure that the organisation fulfils accountability as required by law to the Charity Commission (if a charity), the Inland Revenue, Customs and Excise and the Registrar of Companies (if it is a company limited by guarantee). The organisation should also be accountable to



donors, beneficiaries, staff, volunteers, and the general public. This means publishing annual reports and accounts.

7. Ensure compliance with the law

Trustees are responsible for checking that all the organisation's activities are legal.

8. Maintain proper fiscal oversight

The trustees are responsible for effectively managing the organisation's resources so it can meet its charitable objects.

9. Select and support the chief executive

10. Respect the role of staff

The trustee board recognises and respects the domain of staff responsibility. At the same time, it creates policy to guide staff activities and safeguard the interests of the organisation.

11. Maintain effective board performance

The board keeps its own house in order. It engages in productive meetings, development activities, regular performance reviews.

12. Promote the organisation

Through their own behaviour, their governance oversight and their activities on behalf of the organisation, trustees enhance and protect the reputation of their organisation. They are good ambassadors for the organisation.

Most of the above information was taken from the Governance Hub website www.governancehub.org.uk

National Occupational Standards (NOS) for Trustees and Management Committee Members

National Occupational Standards (NOS) for Trustees and Management Committee Members are available from Central Books: call 0845 458 9910 or email: publicationsorders@ncvo-vol.org.uk to place your order.

Registered users of the website can also download single copies of the NOS from the UK Workforce Hub website at www.ukworkforcehub.org.uk

Free pocket-sized editions of the NOS are available. Please email Rachel Brett at Rachel.brett@ukworkforcehub.org.uk for more details.



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Useful websites and publications to support your trustees

The Charity Commission has a number of free publications.

<http://www.charity-commission.gov.uk>

The Governance Hub www.governancehub.org.uk Tel: 0207 520 2516

“Tendering Your Board” - A free publication Tel: 0207 520 2514

National Council for Voluntary Organisations www.ncvo-vol.org.uk

Tel: 0800 0188 111

Charity Trustee Networks www.trusteenetworks.org.uk

Companies House have guidance booklets from the birth to the death of a company. www.companieshouse.gov.uk Tel: 0870 3333 636

Good Trustee Guide £25 – NCVO publications 0800 279 8798

The Good Trustees Handbook £10 – Directory of Social Change

Tel: 08450 77 77 07

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