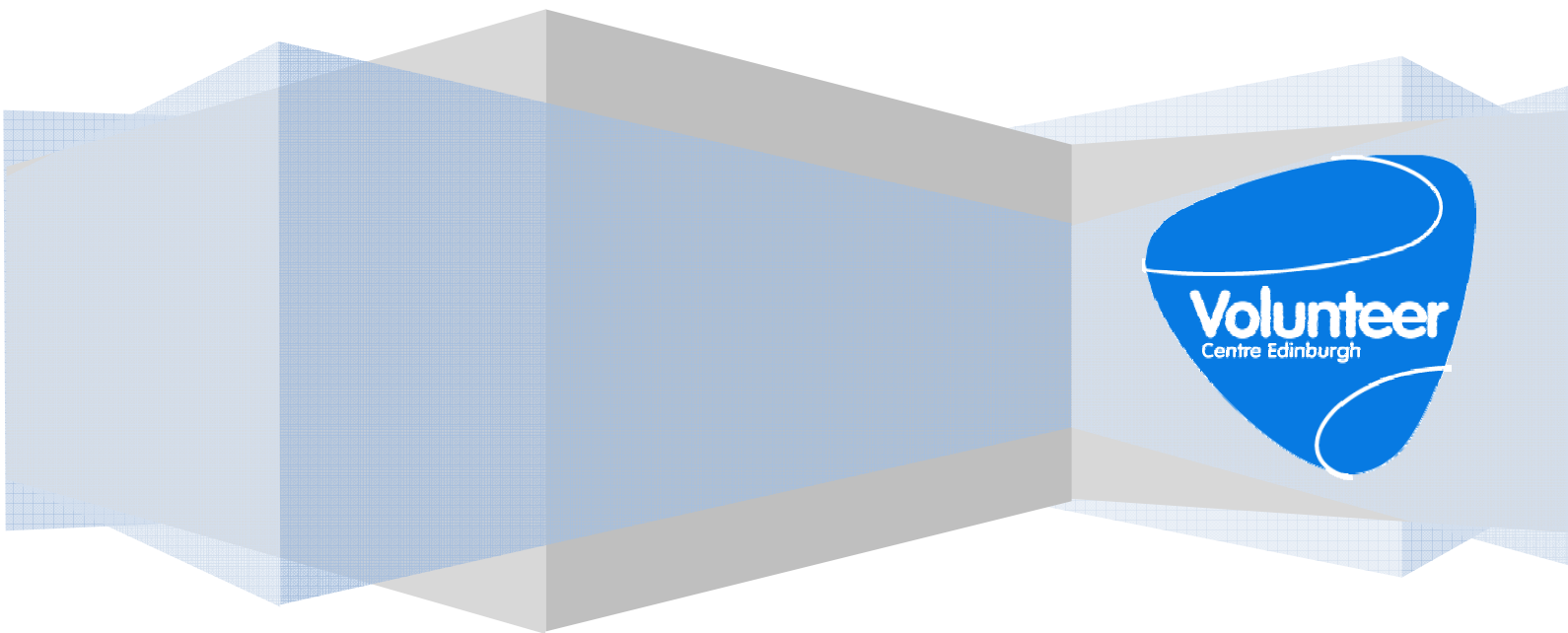


Get On Board in Edinburgh (GOBiE)

Handouts

Recruiting and Supporting Trustees



Checking the legality of your recruitment:

It is vital to check your governing document before you proceed with the recruitment of trustees as it may contain restrictions that would prevent you from proceeding with your plan.

Use the checklist below to identify the clauses in your governing document that could affect your options.

Clauses that may affect your recruitment options	What needs to be done?
A maximum number of Trustees	
Procedures for nomination, election or re-election	
Representation of different interest of the board	
Powers to appoint or co-opt trustees	
Maximum term of office	
Age limits	
Other eligibility criteria e.g. concerning users of your service	
Places reserved for people holding a particular position e.g. the chief executive of a local health trust	
Places reserved for nomination by another organisation such as a local authority	
Places reserved for people from the service users or local community	

Disqualification from being a Charity Trustee

(Act Reference: Sections 69, 70)

New Charity Law in Scotland: The Charities and Trustee Investment (Scotland) Act 2005

in summary a person is not allowed to be a charity trustee if he or she:

- has been convicted of an offence involving dishonesty (unless the conviction is spent)
- has been convicted of an offence under the Charities and Trustee Investment (Scotland) Act 2005 (unless the conviction is spent)
- is an undischarged bankrupt,
- has been removed, under section 7 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 (c.40) from being concerned in the management or control of any body – *this was the section that dealt with misconduct etc under the old law*
- has been removed under Section 34 of the Charities and Trustee Investment (Scotland) Act 2005 (i.e. by the Court of Session) from being concerned in the management or control of any body,
- has been removed from the office of charity trustee or trustee for a charity by the Charity Commission or the English High Court
- is disqualified under company law in Northern Ireland

The Office of the Scottish Charity Regulator (OSCR) has the power to waive disqualification upon the application of a disqualified person either generally or in relation to a particular charity or type of charity unless to do so would prejudice the operation of company legislation in Northern Ireland.

OSCR must tell the person that their disqualification has been waived.

It is an **offence** to act as a charity trustee while disqualified. Punishments range from 'a fine not exceeding level 5 on the standard scale' (which, at January 06, was £5000) to between 6 months and two years in prison

STATEMENT EXAMPLE: Form of declaration of commitment and qualification for trusteeship

I [insert trustee's name] am committed to achieving the objectives of [insert name of organisation]

I understand the responsibilities and liabilities I am taking on in becoming a trustee of [insert name of organisation] and agree to devote the necessary time and effort to my trusteeship.

I am not disqualified from acting as a trustee under section 69, 70 The Charities and Trustee Investment (Scotland) Act 2005.

Signed:

Date:



Disqualification from being a Charity Trustee under Companies Law

Disqualification under company law

Company law applies to all companies, including charities that are formed as a company limited by guarantee. A court may disqualify people from being a company director if they have a:

- Conviction for criminal offences relating to the promotion, formation, management or liquidation of a company
- Conviction for fraudulent trading or fraud
- Record of persistent default on company legislation for filing accounts and other documents
- Record of conduct as a director that makes them unfit to be involved in Company management

(Company Directors Disqualification Act 1986)

STATEMENT EXAMPLE: Form of declaration of commitment and qualification for Directorship

I [insert trustee's name] am committed to achieving the objectives of [insert name of organisation]

I understand the responsibilities and liabilities I am taking on in becoming a Director of [insert name of organisation] and agree to devote the necessary time and effort to my directorship.

I am not disqualified from acting as a Company Director under The Company Directors Disqualification Act (1986).

Signed:

Date:

How ready is your board?

Getting the board ready for recruitment

It is important for your board to assess its readiness in taking on new trustees and determining what kinds of skills and knowledge you are looking for. This exercise can be done as an individual or together in a group discussion.

Suggested points of discussion	Yes	No	What implications does this have for trustee recruitment	What action is required?
The board has the right networks to be aware of the changing external environment				
The board has a clear strategy				
The board thinks the aims and objectives are still relevant to the mission				
The boards policy documents are up to date especially regarding conflicts of interest, code of conduct, expenses policy				
The board's make up reflects the diverse community the organisation serves				
The board is representative of relevant stakeholders e.g. beneficiaries				
The board is open to reconsider times and venues for board meetings				
The board is open to consider paying for or offering child care arrangements				
The board has the ability to offer appropriate support to people with disabilities e.g. sign language, interpreters, large print, Braille				
The board doesn't think diversity and inclusion are issues for the organisation				



What information should you be sending out to your applicants?

Applicants not only need guidance about how to go through the recruitment process, they need information about you, to make informed decisions. Think about the kinds of information that would be useful, informative and not too technical!

Use this checklist to establish what you can realistically put together in an application pack?

Item	Include?
Information about your organisation	
Background information about the role of a Trustee	
Role description	
Skills and experience you are looking for – the person specification	
Who to contact for more information	
Details of open information session (if being held)	
Offer of an informal chat or visit to the office before proceeding with application	
Copy of the advertisement	
Application Process, details of how to apply e.g. application form, deadline, who to respond to	
Details of current board members	



Interview questions for a Trustee

It is very important that when you are devising your questions, you think about what kinds of answers you are looking for, you can use the criteria, as used in the examples below, or you can think of key words that are relevant to the way you work?

Who to ask	Questions	Criteria	Score (1-5)	Comments
	Could you describe what you think we do, how we work and who benefits from our work?	Does he/she show interest in the organisation and know the purpose, objects and values or the organisation?		
	Can you give us an example of your experience of working in a team and what role you played?	Is she/he sensitive to others opinions and does she/he listen?		
	What do you think being a trustee involves?	Does he/she understand the trustee role and what the tasks will be?		
	How will you prepare for board meetings?	Does he/she show commitment to attending meetings and being informed?		
	How do you see the Trustees' role in relation to that of the Chief Exec?	Is she/he aware of the boundaries between governance and executive functions?		

Once you have appointed your Trustee

After the selection has been made, you will need to be sure that you have things in place to follow up the necessary requirements of taking on a new Trustee. This is in relation to eligibility, references and the kinds of information trustees will need to understand the steps!

Things to do	Have you	Done	To do
Take up References	Made sure that references have been included		
	If there are non, chase up applicant		
	Made a phone call to the referee in order to discuss the new trustees and clear up any questions and concerns		
Check that the candidate is eligible to be a Trustee	Made sure the candidate has signed the form confirming that she/he is eligible		
	Searched the register of disqualified directors at Companies House (if appropriate)		
	Obtained a disclosure from Disclosure Scotland if your organisations works with children or vulnerable adults (check crbs.org.uk)		
Confirm the appointment in writing	Include information and dates on the induction programme		
	Sent an induction pack		
	Sent an eligibility declaration		
	Indicated that the appointment is probationary (if appropriate)		
	Or indicated that the appointment is to observe in the first instance		
	Or indicated that the appointment is for full trustee position		

Once you have appointed your Trustee: What do you need to follow up within your organisation?

When you have formally accepted your new Trustees, this information needs to be updated in several systems within your organisations for legal purposes as well as for information:

- The professional advisors:

Accountants
Auditors
Solicitors
Bank Manager
Insurance Provider

- Update the bank mandate if the trustee is to be a signatory
- Transfer any property into the name of the new and existing trustees
- Inform Companies House, if the charity is a charitable company
- Inform the organisation's stakeholders:
 - Staff
 - Volunteers
 - Users
 - Funders
 - Supporters
 - Partners
- Add the trustee's name to relevant publicity material
 - website
 - Newsletter
 - Brochure
 - Organisation's address book
 - Mailing list
 - Letterhead



Induction for Trustees

It is worth taking the time to invest in your trustees' induction as not only are they new to the role but they are new to the organisation and will need to absorb a lot information very quickly in order for s/he to be able to contribute in the board in room.

Think about the kinds of information they need that will help them to understand the organisation and its culture, as well as the formal bits of information that govern the role.

Trustee Induction Programme – Items to consider including in an Induction programme

Activity	To Include in Induction Programme
Tour of office, headquarters, centre	
Introduction to other trustees	
Introduction and talks with staff	
Informal presentations by staff	
Introduction and talks with volunteers	
Introduction to members	
Introduction to professional advisors (e.g. The Auditors)	
Meeting with CEO/Centre Manager	
Visit or observation of a key project	
Visit to a branch or satellite office	
Observation of service delivery	
Introduction to beneficiaries/service users	
Introduction to funders	
Introduction to partners	
Invitation to attend and observe a staff team meeting (if appropriate)	
Invitation to organisation away day (planning day, team building day etc)	
Introduction to Trustee Peer Mentor (if applicable)	
Invitation to fundraising event	



Induction Pack – Information for Trustees that is both necessary and helpful

Key documents	Include
Governing document	Must include
Latest annual report and accounts	Must include
Minutes of recent board meetings	Must include
Copy of OSCr’s guidance on the responsibilities of Trustees	Must include
A Code of Conduct (if applicable)	Must include
Key policies (code of conduct, conflict interest, financial controls etc)	
History of the organisation	
Organisational structure	
Key job descriptions (e.g. CEO, Centre Coordinator, Finance Worker	
Strategic Plans, Business Plans	
Publicity and newsletters	
Dates and agendas of forthcoming board meetings (if planned in advance)	
Names and contact details of other board members	
A phone tree or director of staff contact details	

Ongoing support for your Trustees

The support that is given to new Trustees shouldn't be the end of the support, training and development of your board members. Just like staff and other volunteers, they need to be invested in to maintain enthusiasm and commitment to the organisation and their role.

Again these are suggestions and not requirements. Perhaps one place to start is to look at your existing structures in supporting your staff and volunteers and build on these.

Item	Suggestions
A Mentoring Project (peer)	This is very effective way of supporting Trustees in understanding the informalities, culture of the organisation as well providing an outlet in which to have discussions, share advice and thoughts. It's also effective in building relationships within the board members which helps to increase confidence and understanding.
Training	Depending on the size of your organisation, it may be possible to offer training that is part of staff development to Trustees. Remember that Trustees are volunteers too, and that if you have a budget for volunteer expenses/training you can use it for your Trustees. Include a training session as part of the meeting, invite outside organisations, funders, partners,
Taking part in trustee or specialist networks	There are networks and various bodies that support the Trustee networking as a way to share information, good practice and guidance. Look at the resource section of the handouts for a list of networking opportunities
Away days, training days or retreats	Vital for building team relationships, setting strategic goals, maintaining focus and enthusiasm. Away days don't have to be costly, they just need to be away from the normal place of business. They can have a particular focus such as developing the business plan, or reviewing governance. They could even be something fun or teambuilding focussed such as, a redecoration of the office or a team volunteering day.
Appraisals	This can be done as an individual exercise with a peer Trustee or completed as a group. The appraisal acts a tool to help reflection on successes and challenges of the boards performance as well identifying future developments, training needs and support. There are many appraisal tools that can be used. See Handout 11 for examples of items to include in an appraisal form.
Skills and Knowledge Audit	We all like to feel we can make a contribution. Regularly (annually) looking at: partnerships, networks, training and knowledge that the board possess, offers a fantastic opportunity to up skill you all!
Resources and Publications	There are many to choose from!! See your resources list for organisations that provide information and support to Trustees.

Examples of Items to Include in Appraisal Form:

Appraisals should continue the process started at induction. The most appropriate methods of appraisal for trustees will usually be self-reflective, often using a questionnaire. Frequently the chair will be the person to discuss the appraisal with the trustee, but it does not have to be the chair. The appraisal is an important opportunity to encourage trustees to consider how best they can contribute to the organisation. Getting trustees into the right roles will ensure that you get the most from them.

Appraisal Items

Knowledge and understanding of the governing document and aims, objectives and principal activities of the charity

Knowledge of employees and their roles

Familiarisation with annual trustee report and financial statements

Knowledge of trustee handbook and its contents

Do Trustees share an equal understanding of the organisation

Do Trustees feel happy with the contribution they make in meetings

Are there specialisms possessed by trustees that are not being used

Feedback on Trustee induction

Attendance at trustee updates (could be internally or externally run)

Awareness of OSCr web site and updates

Other ways in which trustee keeps up to date e.g. magazines read etc

Confirmation that trustee acts in best interest of the charity

Confirmation that the individual is not disqualified from acting as a trustee

Confirmation of overall knowledge of legislative framework that governs the charity

CASE STUDY ONE

Good Practice for Recruitment Procedures

St Oswald's Hospice is a very large charity based in the North East which provides specialist support and care to adults and children who have life-limiting conditions.

We recently visited the charity as part of our Review Visits programme and found that it had a clearly defined recruitment, selection and induction process which works well and is regularly reviewed.

The charity uses various methods to recruit new trustees to ensure that the board is inclusive and representative of all its users. Interested candidates are then invited to a meeting with the charity's chair and Chief Executive. This gives both sides an opportunity to find out more about each other, not least that the candidate understands the commitment needed of a trustee. Wherever possible, trustees are recruited in groups of two or three so that they can support each other in their new roles.

The trustees have developed a detailed induction process which is reviewed from time to time. The most recently appointed trustees are invited to contribute to that review to determine whether it can be improved from their experiences.

New trustees are given a range of key documents. This includes the charity's governing document, the last three sets of accounts and annual reports, the current business plan, minutes of recent trustee meetings and a guide to being a trustee. Role descriptions are in place for trustees and honorary officers to clarify their particular roles and responsibilities.

As a result, the trustees have a good understanding of their responsibilities and potential liabilities; attendance at trustee meetings is generally good; and the charity rarely experiences problems in recruiting and retaining trustees.

CASE STUDY TWO

Good Practice – Trustee Skills Audit

Age Concern Wakefield District is a medium-sized charity and its purpose is to promote the health and well being of older people in the Wakefield district.

The charity has a comprehensive induction programme which covers many of the principles of good practice highlighted in this report.

It recently carried out a skills audit of the trustee board to identify any gaps in expertise of its trustees.

The audit concluded that the board had a wide spread of experienced trustees, but it would be an advantage to have more financial expertise. The trustees thought this was an ideal opportunity to appoint a professional accountant to the board. They decided to write to local companies in the area inviting suitably qualified people to apply for the vacancy.

A manager of one company they contacted felt this would be an opportunity for one of his staff to help the charity and at the same time broaden that person's accounting experience and knowledge of the voluntary sector. The charity has since appointed this person, who is still in his 20s. By carrying out a skills audit and widening its recruitment methods, the trustee board has gained not only a better balance of skills but also improved its diversity by expanding the range of life experiences and perceptions among those serving as trustees.

This was the first time the charity had recruited trustees in this way and it appears to have been very successful

CASE STUDY THREE

A cautionary tale – Disqualified Trustees

The Charity Commission received information that one of the trustees of a charity on our Register had an unspent conviction for theft. The charity's principal object was the relief of poverty.

We opened a formal inquiry, under section 8 of the Charities Act 1993, and found that only two of the five appointed trustees played an active part in the running of the charity. One of these two had been acting as a trustee while disqualified by section 72 of the Charities Act 1993. The remaining trustees said they were unaware of the charity's activities and did not know what their responsibilities to the charity were.

We were concerned about the administration of charity funds so, as a temporary and protective measure, we froze the charity's bank account.

After making further enquiries, we found that the two active trustees were using the charity to receive housing benefit allowances in respect of properties owned by the two trustees themselves and one other private landlord. The housing benefit was paid to the charity which in turn took a 'donation' from the benefit before passing the rest to the landlord or the tenants. Our view was that some of the charity's funds had been used by the trustees, for travel expenses to landlord's meetings, on business unrelated to the charity. This constituted an unauthorised private benefit.

We were informed by one of the active trustees that the charitable status had been sought for reasons other than charitable purposes.

The inquiry concluded that under the circumstances the charity's position was untenable. We therefore removed it from the Register and referred the matter to the police. The individual concerned was found guilty of acting as a trustee while disqualified and supplying false information to the Commission and received a Community Punishment Order.