



FRAMPTON ON SEVERN COMMUNITY ASSOCIATION - TRUSTEE GUIDANCE

Registered charities such as the Frampton on Severn Community Association (FCA) exist to help to create a better society, and are regulated by the Charity Commission (CC).

The FCA aims (called 'objects') are defined in Clause 2 of our constitution, and are to:

1. Promote the educational, recreational and social benefit of the people of the village and its surrounding area.
2. Maintain the Cadbury Hall, the Scout Headquarters, and manage them in the furtherance of these objects.
3. Maintain or improve that public open space known as Frampton on Severn Recreation Ground having especial regard for the protection of the environment.

The CC defines trustees as the people who serve on the governing body of a charity. They may be known as committee members, trustees, directors, or board members. Charity trustees are responsible for the general control and management of the administration of a charity.

To be a trustee, you need to be nominated by your Affiliated Group or be elected an officer of the FCA. You also need to sign a declaration each year to confirm that you can legally accept the appointment, and provide your date of birth for CC reporting purposes. Once you have done this, you are by definition a trustee of the FCA registered charity with all the legal responsibilities this entails.

The governing body of the FCA is the General Committee, which meets four times a year with the May meeting being the AGM. Only trustees are full members of the General Committee with voting rights.

The CC also recommends that you be provided with a copy of our charity's key documents to help you understand how our charity works, and to work out how you can help with the charity's management and administration.

You therefore receive:

1. **Governing document**, ie, the legal document; for us, it is the FCA Constitution, which sets out our charity's aims ('objects' and 'purposes'), powers, membership, meetings, officers, committees, appointment and removal of trustees, rules and procedures for meetings, finance and disputes, ie, how it should be run.
2. **Charity accounts**. Our charity's accounts for the last financial year explain how our charity's resources are obtained and used. They will also tell you what our charity's financial situation is. We are required to submit these to the CC annually
3. **Trustees' annual report**. The trustees' annual report to the CC explains what our charity is trying to do, how it does it, whether it's met its aims and how it works for the public benefit.
4. **Minutes of trustee meetings**. The minutes record what was discussed and agreed at any charity meetings. They can be used to record where a decision has been made, eg the adoption and approval of the audited accounts. Our charity should retain minutes of any meeting – particularly trustee meetings – held in its lifetime.
5. **Policy Documents**. The FCA has a number of policy documents: Child Protection, Vulnerable Adults, Environmental, and Conflicts of Interest. A conflicts of interest policy

explains what to do where a trustee's decision-making is – or could be seen to be – influenced by either their own interests or by interests or loyalty they have elsewhere.

The FCA constitution has a number of clauses relating to the trustees. The CC has a great deal of information on Trustee responsibilities, especially in “The Essential Trustee” and “The Charity Governance Code”, and the basics set out below are extracted from them.

Trustees' duties at a glance

This is a summary of trustees' main legal responsibilities, which are explained in detail in the rest of this guidance. You should read this section as a minimum, and ensure you fully understand your responsibilities by referring to the rest of the guidance as necessary.

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.

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 is 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

- avoid exposing the charity's assets, beneficiaries or reputation to undue risk
- not over-commit the charity
- take special care when investing or borrowing
- comply with any restrictions on spending funds or selling land

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

Charity Governance Guide

There are seven principles which make up this Code. These seven principles build on the assumption that a charity is meeting its legal and regulatory responsibilities as a foundation.

1. Organisational purpose.

The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.

2. Leadership

Every charity is led by an effective board that provides strategic leadership in line with the charity's aims and values.

3. Integrity

The board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.

4. Decision-making, risk and control

The board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.

5. Board effectiveness

The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

6. Diversity

The board's approach to diversity supports its effectiveness, leadership and decision-making.

7. Openness and accountability

The board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

If things go wrong

The CC offers guidance to charities on both legal requirements and best practice to help them operate as effectively as possible and to prevent problems. In the few cases where serious problems have occurred, the CC has wide powers to look into them and put things right. Trustees may also be personally liable for any debts or losses that the charity faces as a result. This will depend on the circumstances and the type of governing document for the charity. However, personal liability of this kind is rare, and trustees who have followed the requirements on this page will generally be protected.

The CC website (www.charitycommission.gov.uk/) has much more, including the following:

- The essential trustee: what you need to know (CC3).
- The Charity Governance Guide.

APPOINTING NEW TRUSTEES

Clause 11 of the FCA Constitution provides the charity's rules and some guidance on appointing new trustees.

The CC states that we must follow any specific provisions concerning the appointment of trustees in our charity's constitution.

It further recommends that potential trustees are asked to sign a declaration form to confirm that they can legally accept the appointment.

Some people are disqualified by law from acting as trustees under sections 178 - 180 of the Charities Act 2011. This includes anyone who:

- has been convicted of any offence involving dishonesty or deception
- is an undischarged bankrupt or is subject to bankruptcy restrictions or an interim order
- is disqualified from being a company director
- has previously been removed as a trustee by either the CC or the High Court due to misconduct or mismanagement.

FEEDBACK. Please send any comments or suggestions to the Secretary.

Last reviewed Dec 2017