

# Trustees Together

Promoting and Supporting Trustee Development



SUMMER 2007

Welcome to the Third Edition of the newsletter for the East of England's Trustees Together – for you, about you!

## SHOULD TRUSTEES BE PAID?

*The new Charities Act includes a provision which allows trustees to be paid for services provided to the charity (other than expenses) in certain circumstances. This provision is not expected to come into force until early 2008*

The issue of payment of trustees raises a number of issues. Currently many boards are not appraised and the diversity of trustees does not reflect that of the wider sector. There is also still some way to go to improve standards of governance in many organisations and paying trustees could have a negative effect. It is possible that as a direct result of payment, unpaid trusteeship, which is one of the fundamental characteristics of the voluntary sector, would be eroded. It would call into question the objectivity of those governing. It could also exacerbate issues of trustee recruitment for charities that could not afford to pay, while adding to the core costs of those that could.

The issue of payments was raised at the Trustees Together Conference in September 2006. One of the suggestions made there was that instead of financial reward training should be offered together with opportunities for extending knowledge by attending conferences and courses paid for by the organisation. The opportunity of gaining a qualification in Trusteeship was popular with some trustees and it could encourage a younger age group who are interested in the role as a part of their personal development for the workplace. It was also suggested that payments for travel, respite and baby sitting might encourage more trustees.

## WHAT DO YOU THINK?

Send you views to SAVO Trustee Project Leader Ionne Hammond by e mail to: [ionne.hammond@savo.co.uk](mailto:ionne.hammond@savo.co.uk) or call 01473 273273

We will collate these views and present them (anonymously of course) in the Autumn edition of this newsletter.

# On the Radar:



Indispensable for new managers, existing managers, chief executives and trustees, this direct, inspirational guide is written entirely in the form of tips – 101 of them! A digest of theories and how to put them into practice, it also tells you about the pitfalls of leadership and how to do the hard bits. It's very practical – the aim is to help people to get their job done well. A motivating summary of all the useful things learnt over the years by two experts in their field, Brian Rothwell and Margaret Lloyd. Available late April from Directory of Social Change

<http://www.dsc.org.uk/acatalog/index.html>

## reach

is the organisation that brings together voluntary organisations and volunteers with career skills and they have an interesting new project:

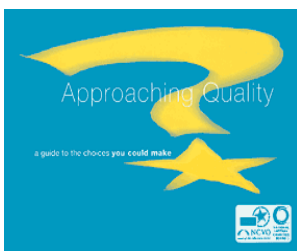
### Reaching Out - providing advice and skilled volunteers to frontline groups

What is it? Reaching Out is an England-wide project providing skilled volunteers to black and minority ethnic, refugee and migrant, faith, and isolated rural groups. Organisations that sign up with the project can gain extra skills and expertise, strengthen their know-how, and benefit, at no charge, from advice and hand-picked REACH volunteers. The project has two key parts. The first is advice and assessment of each group's particular skill needs. The second stage is matching REACH volunteers with appropriate business, IT, HR, legal, premises management expertise, governance experience or other career skills, to each group in the project to work with them individually. <http://www.volwork.org.uk/projects/reachingout.htm>

**Climate Change** - BT has a climate change web site which includes a carbon footprint calculator. This is aimed more at individuals than organisations but an office could collate information or results from the activities of the organisation...

<http://www.btplc.com/climatechange/>.

## Publications from NCVO



### **Approaching Quality: a guide to the choices you could make**

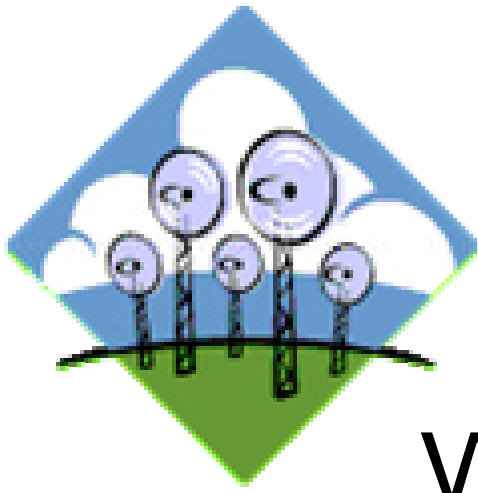
This useful guide will stimulate and inform voluntary and community organisations in making a choice of quality scheme appropriate to their organisation. It gives good examples and reasons for the choices of other organisations

<http://www.ncvo-vol.org.uk/publications/showall.asp?id=1499>

**Voluntary Agencies Directory** The established reference guide for everyone involved in the voluntary sector, this directory lists over 2,000 organisations including a concise description of the charities' aims and objectives plus a subject index grouping organisations by their field of interest. Launched in June, you can pre-order your copy now. £35 (£24.50 NCVO members)

For more visit [www.ncvo-vol.org.uk/vad](http://www.ncvo-vol.org.uk/vad).

To order copies of this or any other NCVO publication call the NCVO Helpdesk on 0800 2 798 798 or visit [www.ncvo-vol.org.uk/publications](http://www.ncvo-vol.org.uk/publications).



# The view from Watford: Bob Jones



**In all the acres and gigabytes of advice available to trustees, nowhere is it claimed that the role of Trustee is easy.**

Not too long ago, all a trustee needed was some spare time, a bit of passion and a modicum of commonsense. How things have changed. Now, every discussion must pick a careful path between legalistic and regulatory Heffalump traps, and every decision is judged against quality standards developed by highly paid consultants in a highly polished ivory tower somewhere just west of the Land of the Fairies.

Only the most tenacious trustee can survive in this treacherous environment. In fact a large number of trustees seek to go underground (or at least beneath the radar of regulatory authorities) with the oft-repeated claim, "oh, we're not a charity".

Faced with a complex web of legal issues and competing standards, where can the honest trustee turn for advice and guidance? The sources of advice are just as confusing as the problems. In any given situation, the most valuable skill (or good fortune) a trustee can have is asking the right question of the right advisor at the right time.

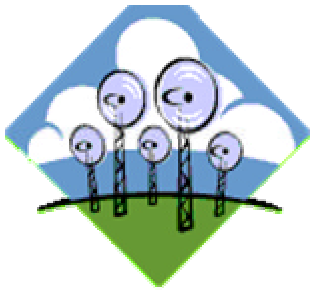
Among all purveyors of advice to trustees, the Charity Commission holds the Royal Warrant. On many questions, they can provide a definitive answer. Naturally, they stay within their comfort zone, but if your question falls within this comfort zone, then ask it of the Charity Commission. A complete list of their guidance can be found at: [www.charity-commission.gov.uk/supportingcharities](http://www.charity-commission.gov.uk/supportingcharities).

There are other important sources of statutory advice and perhaps the next most authoritative source of information is the Inland Revenue who can be found at: . They have a special page on their work with the voluntary and community sector ([www.hmrc.gov.uk/vcs](http://www.hmrc.gov.uk/vcs)) and their page on employment status should be required reading for any charity that thinks it has "self employed" people - they almost certainly don't: [www.hmrc.gov.uk/employment-status/index.htm](http://www.hmrc.gov.uk/employment-status/index.htm).

The website of the new Office of the Third Sector mostly contains news about government initiatives, but they are also a useful source of statistics and research: [www.cabinetoffice.gov.uk/third\\_sector](http://www.cabinetoffice.gov.uk/third_sector).

For answers to more specific queries, trustees might try the recently relaunched Compact website at [www.thecompact.org.uk](http://www.thecompact.org.uk) which includes a section on publications and resources.

The problem with government websites is that they are all fairly narrow, and visitors themselves have to ferret out the information that is useful to them. It is difficult or impossible to speak to a human being and get a sensible answer relevant to your query.



Naturally, the voluntary sector does this rather better. Depending on the nature of your charity, there are various national umbrella organisations that provide good advice and guidance. Pride of place goes to the NCVO who run an excellent advice service: [www.ncvo-vol.org.uk/askncvo](http://www.ncvo-vol.org.uk/askncvo) ( or 0800 2 789 798). But of course your group needs to be a NCVO member to access this service. Helpfully, the NCVO also provides a comprehensive list of specialist umbrella organisations that might provide advice: [www.ncvo-vol.org.uk/askncvo/directory/](http://www.ncvo-vol.org.uk/askncvo/directory/).

But where does this leave the specialist hubs? Apart from all the above, ChangeUp funding (now managed through Capacitybuilders) supports six **voluntary sector hubs** that provide specialist advice and guidance on: Governance, Finance, ICT, Performance, Employment (Workforce) and Volunteering. All these “hubs” can be accessed via [www.hubs.org.uk](http://www.hubs.org.uk) which also has a combined search facility for searching all the hubs simultaneously. There is a degree of overlap and it is sometimes difficult to find out exactly which hub has the advice you need; for trustees, the **governance hub** is usually the best place to start.: go to [www.governancehub.org.uk](http://www.governancehub.org.uk) and they even have a helpline number: 0800 652 4886.

**Volunteering England** provides an excellent range of advice on all volunteering matters: [www.volunteering.org.uk](http://www.volunteering.org.uk). This site also has good information on recruiting trustees and on trustees as volunteers.

**Governance** magazine runs its own website at: [www.charitygovernance.co.uk](http://www.charitygovernance.co.uk) with advice & links. Another excellent site is [www.volresource.org.uk](http://www.volresource.org.uk) providing lots of useful links & information.

**Suffolk Association of Voluntary Organisations** has taken the lead by developing an e-learning course for trustees. This excellent resource can be found at: [www.savo-elearning.org](http://www.savo-elearning.org).

Making sense of all the above is difficult. Of course trustees should also feel able to approach their staff for advice – if they have any. Most charities will also have professional advisors (solicitors or accountants) who can be approached, but these can be expensive and often they lack specialist knowledge of the charity sector.

Nearly all areas of the country are served by a **Council of Voluntary Service** (or similar) that provides advice and guidance to local charities. For most local groups, this network should be the first point of call. You should be able to trace your local CVS either through your local authority or through [www.navca.org.uk](http://www.navca.org.uk) from where there is a link to “local contacts”. Here you should be able to find a local agency with a human face and specialist sector knowledge.



## In a Nutshell: What exactly is a Social Enterprise?

NO-ONE seems to know the answer! Here's DSC's definition:

Charities can be engaged in enterprise (income generation through business activity), but this must be directly related to their charitable objects. If the income generation is substantial and not related to their objects the charity usually has to set up a trading arm which is a limited company. But, apparently, that doesn't mean that the charity itself has become a social enterprise (in a technical, legal sense anyway).

Social enterprises are set up and run as businesses, but all profits must be reinvested for social purposes. A new legal form has been created to govern them, the 'Community Interest Company', and there is a regulator. CICs have to prove to the regulator that they have been set up for community benefit rather than private advantage, and the profits must be reinvested.

## Budget 2007

**Changes in income tax rates will affect your fundraising.** By reducing the basic rate of income tax the Chancellor has reduced gift aid claims from 28.2 % to 25 % from April 2008. This means that to stay still, charities will need each donor to add 25p to every pound they currently give. A donor who gave a monthly direct debit of £5 in June 2000, (when Gift Aid was extended to gifts of any size) will have to increase it to at least £7.20 for the charities to get the same expendable income, allowing for tax change and inflation.



**Think about how to contact your donors and what this will do to your budgets next year.**



## RESOURCES

# Trustees Together

## Learning to Drive

[www.trustee-elearning.org.uk](http://www.trustee-elearning.org.uk)

Over 300 people have already registered with Learning to Drive and numbers are growing every week. Join them to find

**EVERYTHING YOU NEED TO KNOW ABOUT BEING A TRUSTEE**



It is **still** a **free**, flexible toolkit that you can work through at **your own pace** in **your own time**. Pick and mix the modules that are of interest to your or view it as a refresher course or introduction to Trusteeship. Develop your skills and knowledge to enable you to lead your organisation more effectively.

Contact [ionne.hammond@savo.co.uk](mailto:ionne.hammond@savo.co.uk) with your local your news on Trusteeship or ring 01473 273273

# Trustee Skills the %'s

Many organisations reported in a recent survey by PFK Accountants, that they had difficulty acquiring trustees and volunteers with the skills that they need to operate effectively.

- 53% reported limitations to the effectiveness of their trustees
- 29% reported that the most common issue is the levels and mix of trustees' skills
- 27% reported the lack of effectiveness of performance monitoring
- 22% reported lack of planning
- 22% reported lack of decision making skills
- 40% identified that the main trustee skill shortfalls are in finance and IT
- 27% identified trustee skill shortfalls in strategy and business skills.

To redress this situation:

- 53% of respondents have introduced training and 49% have formalised their induction for trustees
- 81% are benefiting from a 'positive impact on trustee performance'.

# Trustee Alphabet

## Personal skills for a successful Board Member

**A** accountable, accurate, a regular attendee, able to work with others, accepting of criticism, active, alert, aware, attentive to detail.

**B** balanced

**C** capable, committed, concerned, consistent, conscientious, co-operative, competent, creative, courageous

**D** dynamic, dependable, diplomatic

**E** enthusiastic, efficient, exact

**F** friendly, flexible

**G** generous, genuine, a guider

**H** helpful, honest

**I** intelligent, imaginative, intuitive

**J** good judgement

**K** keen

**L** loyal, a leader

**M** motivated, a manager

**N** numerate

**O** objective, organised

**P** problem solver, patient, polite, punctual, persistent, perceptive

**Q** questioner

**R** responsible, risk taker, reasonable, reliable

**S** self reliant, steady, sincere, sense of humour, self confident, self controlled, sensitive

**T** tactful, trustworthy, team player, thorough, tolerant

**U** unflappable, understanding

**V** versatile

**W** watchful, welcoming, wisdom

**X** xerophilous (adapted to extremely dry conditions!)

**Y** yielding, youthful

**Z** zeal, zest