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#### Does your chair know about how CTN can support them?

If you are a trustee of a board and find *trustee focus* useful, maybe your chair would too? If they register and tick the box to say that they are a chair or vice-chair they will also receive *chair focus*, an e-newsletter specifically focused on the responsibilities and concerns of chairs. To register go to [www.trusteenet.org.uk/upgrade](http://www.trusteenet.org.uk/upgrade)

#### news and opinion from a trustee's perspective

### Your help is needed with research on chairs of trustee boards

Chairs play a vital role in whether a governing body or board is effective or not. Yet the role and influence of chairs is one of the least researched aspects of the governance of voluntary organisations. To help fill this gap an international research project is being carried out which will compare the role of board chairs in the UK and North America.

If you are a board chair, a board member or someone who has experience of working with boards in the voluntary sector we would greatly appreciate your views on the role and influence of chairs by completing an online questionnaire. Anyone who completes the questionnaire and provides contact details will be sent a summary of the main results and recommendations.

It would be very useful if more than one person connected with the organisation you are reporting on could complete this questionnaire, so please feel free to pass this link on to other board members, staff, volunteers or external stakeholders.

For more information and to complete the questionnaire please follow on the link below:

[http://www.surveymonkey.com/s.aspx?sm=t\\_2fpc6goAmIKL\\_2ba3Zs9aswA\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=t_2fpc6goAmIKL_2ba3Zs9aswA_3d_3d)

### Surviving and thriving – the UK Conference for Charity Trustees

This special conference for trustees, chief executives and finance directors takes place at Central Hall Westminster on 7th May and is designed to help charity boards tackle the threats and opportunities posed by the recession.

It will examine how to maximise charity income from a wide range of sources, ensure charity funds are appropriately invested and negotiate partnerships and mergers. Fifteen top-level speakers include leading philanthropist, Dame Stephanie Shirley, the Chair of New Philanthropy Capital, Gavyn Davies, Senior Partner of law firm Stone King Sewell, Michael King, and the Chair of Charity Trustee Networks, Rodney Buse.

The conference is organised by Action Planning, Charity Trustee Networks and Stone King Sewell with ACEVO, the Association of Charitable Foundations and the Charities Aid Foundation. The attendance fee is £140 for the first delegate and half price (£70) for all additional places. For details email [dsenior@actionplanning.co.uk](mailto:dsenior@actionplanning.co.uk).

### How is your bank doing?

Paul Martin, Head of Social Economy at Unity Trust Bank, talks about why

### **Practical Trusteeship Conference**

On the 14 May CTN and DSC are putting on a conference designed to address some of the practical issues faced by trustees.

CTN members can get a discount – go to [www.trusteenet.org.uk/events/practical-trusteeship-conference](http://www.trusteenet.org.uk/events/practical-trusteeship-conference) for more information.

and how charities should review their banking arrangements.

Charity Finance magazine's 2008 annual banking survey showed that one third of those surveyed had been with their bank for 20 years or more and a quarter said they never reviewed their banking arrangements. This may be good for the individual banks, but it is certainly not good practice for the charities concerned. Indeed, in the current volatile economic climate, it is even more relevant for organisations to review their banking relationship.

There are several reasons why reviewing your current banking arrangements could be advantageous, such as:

- a) A new bank may better understand your requirements. Look for one that has expertise and knowledge of your particular sector.
- b) Your current bank may not offer specialist services such as internet banking with single, dual AND triple authority and their products may not meet the complex needs of your organisation.
- c) A new account may offer higher interest or lower charges – how bespoke will your bank make your product?

If you do decide to move banks, it's worth thinking about whether the bank is a 'good fit' for your organisation? The questions that you might want to ask include:

- a. Does the bank have a dedicated charity team?
- b. Do they offer relationship banking - or are you just a number to a remote call centre operator?
- c. What charges do they levy?
- d. Are there any penalty charges for going overdrawn?
- e. Are there any additional charges for arranging overdrafts?
- f. How will they help me move from my existing bank?
- g. How will they deal with me when the honeymoon period is over?
- h. What social and environmental policies do they have?

In recent years, moving bank accounts has become a relatively simple and painless task, which makes reviewing your banking arrangements on a regular basis even more attractive. Trustees should, as a matter of good governance, build in a regular review of their banking arrangements.

More information about Unity Trust Bank can be found at [www.unity.co.uk](http://www.unity.co.uk).

### **Lobby your MP to get recognition of the BME Third Sector's contribution**

Voice4Change England (V4CE) has launched a Valuing the BME Third Sector campaign to increase recognition of the positive contribution made by the Black and Minority Ethnic Third Sector in bonding communities and promoting equality. The aim of the campaign, which builds on Early Day Motion 620 Voice4Change, tabled in Parliament by Alun Michael MP, is to increase political support amongst MPs for adequate and equitable resourcing of the Sector to bring about better outcomes for BME communities.

V4CE needs the support of frontline groups in educating MPs about the issues facing the Sector, and is urging individuals and organisations to contact their local MP to ask them to sign the Early Day Motion. In addition, V4CE is encouraging frontline groups to invite their MP to visit and meet with staff and beneficiaries of the service.

Further information about how you can participate in the campaign is

available from Martin Ball on 020-7843 6131 or [martin@voice4change-england.co.uk](mailto:martin@voice4change-england.co.uk)

## **Risk management for Charity Trustees**

Risk management is a crucial element of a charity trustee's work as opportunities need to be balanced with their attendant risk, cost or potential negative impact. By identifying and categorising all the risks faced by the charity, trustees can develop a clear picture of the balance of risk within their organisation.

The charity should be examined from a variety of angles in order to assess the range and magnitude of risks. Operational risks can be identified more effectively by drawing on the experience of staff and volunteers; and third parties, such as funders and users, may be able to identify some of the external and environmental risks.

Risks can be divided into different categories, for example:

- governance, e.g. conflicts of interest;
- operational, e.g. staff shortages;
- financial, e.g. poor cashflow;
- environmental, e.g. reputational damage;
- compliance with law and regulation.

Both the probability and the impact of a risk should be graded as high, medium or low. Low scoring risks unlikely to require much active management, may be accepted, whereas high scoring risks will need countermeasures as a means of managing them. These could be:

- prevention of the risk happening, e.g. by stopping the activity;
- reduction of the probability or impact of the risk, e.g. by implementing risk reducing procedures; or
- transferring the risk elsewhere, e.g. by taking out insurance which transfers some financial risk from the insured to the insurer.

Regular monitoring is essential to ensure that risks continue to be properly managed with appropriate countermeasures in place.

The above excerpt is taken from the *ICSA Charity Trustee's Guide*, 2nd edition. For full details or to order see [www.icsabookshop.co.uk](http://www.icsabookshop.co.uk).

## **Committees, committees, committees**

Like them or loath them, committees are a feature of the governance landscape and few organisations have none. But are they working well? BoardsCount™ research showed that only half of board members are happy with their current committee arrangements.

On average, boards have:

- 3 committees with 6 members each who meet three times a year
- About 75% of these committees have written terms of reference, nearly all of which were reviewed in the last 5 years
- 8/10 organisations minute all their committee meetings and 6/10 share them with their board
- Half of organisations also have task groups in addition to standing committees of the board

Committees are about lightening a board's load by delegating some of the detailed work to a dedicated group. But if the committees of a board don't work well, confidence in a board's delegation arrangements may be low as a consequence. Simply putting in place good meeting and reporting arrangements can make a big difference.

Guidance on risk management is also available from the Charity Commission's website

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

Questions to ask:

- Do your committees all have clear terms of reference?
- To what extent do committee meetings work well?
- Are reporting arrangements appropriate and working well?
- Do you monitor committees' performance?

CTN has teamed up with BoardsCount™ to offer a member discount. For more details, see [www.BoardsCount.com](http://www.BoardsCount.com) or <http://trusteenet.org.uk/content/boardscountm>

### **Chances to have your say – open consultation**

The **Big Lottery** is consulting on its strategic framework for 2009 onwards. Help them frame their future strategy by responding to their 10 'BIG Questions'. Information available at [www.big-thinking.org.uk](http://www.big-thinking.org.uk)

### **In more detail: Trustees with experience of mental distress**

Paul Farmer, Chief Executive of Mind, the leading mental health charity in England and Wales, describes the results of a recent governance review undertaken by the charity, and shares his thoughts on the subject of trustees who have experience of mental distress.

We have reduced our Council to 16 members, of whom eight are elected and eight are co-opted, and we have enshrined in our Articles of Association a requirement that a minimum of 50% of the board must have direct personal experience of mental distress. What has not changed is the fact that in reality over 70% of our trustees (currently 11 out of 15) have experienced mental distress at some point in their lives. This may not raise eyebrows, as we are after all the leading mental health charity which holds user involvement at its very core, however there is a lot to be said for all charities making an effort to encourage applications for trusteeship from people who have experience of mental distress.

One in four adults will experience mental distress at some stage in their lives, so if an organisation has a board of four or more people the chances are that they already have a trustee who has had a mental health problem. It is likely that the individual has chosen not to disclose any diagnosis they may have, but this could actually be to the detriment of the board as a trustee's mental health background will increase and diversify their life experience and bring an additional perspective, allowing them to contribute even more to an effective board.

Legally speaking there is nothing to prevent an individual with mental health issues from becoming the trustee of a charity, they just need the capacity to make the necessary and relevant decisions required of them by the board. As with any health issue you should be prepared to accommodate any specific adjustments or requirements, but more often than not these are far less than you would perhaps expect - you would not be able to tell from looking at our board who does and who does not have a mental health diagnosis. In return such trustees can offer passion, commitment, grass roots personal experiences, a great deal of understanding, and crucially, invaluable skills. It is important to note also that while we make adjustments to fit around board members who have experienced mental distress this is not to say we make allowances for them - our trustees are elected or co-opted on the basis of the skills which they bring to the board and they have to be capable of dealing with the same rigours of trusteeship, whether or not they have direct experience.

When trying to encourage applications from people with mental health

KEEP YOUR DETAILS UP TO DATE

If you are no longer a trustee or your details have changed, log in to [www.trusteenet.org.uk](http://www.trusteenet.org.uk) to update your details.

## ANY OTHER BUSINESS?

Do let us have your feedback on this e-newsletter by replying to this email. Let us know if we are getting it right or how we can improve this e-newsletter, **trustee focus** goes out bi-monthly, and we want as much content as possible to be from you - we would really welcome your ideas and submissions.

This newsletter is sent to you by CTN

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issues or supporting existing board members in being open about their mental health experiences the most important things are awareness, being sensitive to any needs an individual might have and the cultivation of an environment where they are happy and comfortable to be open if they are having any problems. For example, there have been instances at Mind where a trustee has been on certain medication that makes them tired as the day wears on. When there has been an item on the agenda particularly relevant to their field of expertise this might be moved to the beginning of the day so that they feel at their best when the time comes to discuss the matter. Simple things such as thinking about the way an agenda is structured or how frequent breaks are can make a big difference. It is also important to check that you are not unintentionally putting people with direct experience off applying to become a trustee, for instance by having prohibitive processes or procedures.

I sincerely believe that the reforms Mind has made will allow the improvement of the quality and delivery of governance while maintaining the clear focus on our key values and user involvement and participation. The inclusion of trustees with direct experience of mental distress is now enshrined in the fundamental essence of our board. Indeed, our Council of Management's evolution has recently earned us Third Sector's Award for 'Most improved trustee board'. However, I think that all charities, not just those who work around mental health or health, should aim to have a board which is representative of mental health as well as of race or sex, and that this increased diversity would be a valuable addition to any organisation.

More information about Mind is available at [www.mind.org.uk](http://www.mind.org.uk).

## Future events for your diary

Details on [www.trusteenet.org.uk/events](http://www.trusteenet.org.uk/events)

**24-25 February** - CHASE exhibition

**12 March** - Improve your Board Meetings - London

**26 March** - Trustee Exchange 2009 - London

**14 May** - Practical Trusteeship Conference organised by CTN and DSC - London

**16 June** - CTN annual lunch and lecture - Church House, London

Details are available on [www.trusteenet.org.uk/events](http://www.trusteenet.org.uk/events). There are a number of smaller events happening outside London which are listed on our website. Please let us know if there are others that we are not aware of.

## Network Events in February, March and April

Please go to [www.trusteenet.org.uk/events](http://www.trusteenet.org.uk/events) for more details of these and many more events.

**26 February** - Honorary Treasurers' Forum - London

**26 February** - Lewes District Trustee Network

**3 March** - Surrey Community Action Chairs Forum - Guildford

**17 March** - Cumbria CVS Trustee Network - Penrith

**30 March** - Central London Trustee Network

**31 March** - Network of Women Chairs - London

**2 April** - Wokingham Voluntary Sector Forum - Twyford

**23 April** - Cumbria CVS Trustee Network - Carlisle