

Policy regarding Trustees of the Sussex Cancer Fund (SCF)

Policy no.14

Effective date 1/12/2022

Approved by Chairman of SCF

Purpose of the Policy

To define the recruitment process for Trustees and to summarise their responsibilities.

Trustee are also Directors of the SCF for the purposes of UK Company law and are members of the charity.

(Matters relating to SCF Trustees are subject to the Articles of Association - generally the articles override all policies if there is any conflict)

Key elements

- 1.** All new trustees appointed after the effective date of this policy should complete and sign the Trustee Application form (See attachment 1). As confidential information is likely to be shared during the interview process, the applicant must sign a Non-Disclosure Agreement (See attachment 2) in advance of such disclosures.
- 2.** All applications will be considered regardless of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including colour, nationality, and ethnic or national origin), religion or belief, sex (gender) and sexual orientation – in line with Equality, Bullying and Harassment Policy no.6
- 3.** Potential new trustees will be interviewed by the Chairman of SCF and a minimum of 2 other trustees
- 4.** Satisfactory reference checks will be made before a trustee is appointed – one of the existing Trustee will be responsible for completion of the reference procedure on behalf of the Chairman.

5. A basic DBS (Disclosure and Barring Service) check will be made before a trustee is appointed. A trustee with a medical occupational background is likely to have a higher - level DBS check already in place.
6. A trustee will also be appointed as a Director of SCF and will join the SCF Board with immediate effect.
7. A trustee appointment letter will be issued (See attachment 3) – signed by the Chairman of SCF.
8. All new trustees will have an orientation programme prepared
9. All trustees of SCF operate on a voluntary basis with no payments made for work done. Reasonable travel and other expenses will be re-imbursed, with approval by the Chairman of SCF
10. The role of an SCF trustee is detailed in Appendix 1 of this policy

(Source The UK Government Charities Commission of England and Wales web site)

11. The role of an SCF Director is detailed in Appendix 2 of this policy

(Source: The UK Government Companies House web site)

12. All trustees will be appointed for a 3 - year term.

The Articles of association require compulsory retirement of 1/3 of directors at the AGM. Directors can be re-appointed by mutual consent with Board approval, for further periods of usually 3 years. However, total service will not exceed 10 years.

13. In exceptional circumstances a trustee can be removed during the 3 - year term by a resolution of the Directors that it is in the best interests of the charity that his/her membership of the charity be terminated.

Such a resolution may only be passed if:

(a)The trustee concerned has been given at least 21 days' notice in writing of the meeting of directors at which the resolution will be proposed and the reasons why it is to be proposed

(b)The trustee, or at the option of the trustee, the trustee's representative (who need not be a member of the charity) has been allowed to make representations to the meeting.

14.Trustees will normally be asked to give a minimum notice of 3 months if he/she wishes to leave SCF before their service period comes to an end.

Appendix 1 – Responsibilities of Trustees of SCF

Content may be amended / updated from time to time and will apply as written on the government web site related to the Charity Commission.

For more information – please read the Charity Commission’s publication called ‘The Essential Trustee – what you need to know’

<https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3>

Below is a useful summary, especially for new trustees:

Trustee Responsibilities

1. Act in SCF’s best interests

You must:

- do what you and your co-trustees (and no one else) decide will best enable SCF to carry out its purpose and vision
- 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 SCF 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

2. 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

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 SCF vulnerable to fraud or theft, or other kinds of abuse, and being in breach of your duty

3. 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

4. Ensure SCF 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, is well run and effective
- ensure accountability, particularly where you delegate responsibility for particular tasks or decisions to staff or volunteers

Appendix 2 – Responsibilities of a Director of SCF

Source - www.Companieshouse.gov.uk.

Content may be amended / updated from time to time and will apply as written on this government web site.

Below is a useful summary, especially for new directors.

www.companieshouse.blog/gov.uk - amended by reference to a charity not a company.

1. Abiding by SCF's constitution

The first of these duties is that a director must act within their powers under the charity's constitution. The most important part of the constitution is the Memorandum of Association.

These are an important set of rules for the charity and for your board.

As a director, it's important to be familiar with the articles of association as they may constrain your decision-making powers in certain ways. If you exceed your powers, then related decisions could be reversed and you might even have to compensate the charity for any resulting financial losses.

2. Promoting the success of the charity

The second major duty of a director is to promote the success of the charity.

The duty states a director must act in a way that they consider, in good faith, would be most likely to promote the success of the charity for the benefit of the NHS and the cancer patients we support. When making decisions, directors must also consider the likely consequences for various stakeholders, including patients, employees, suppliers, customers and communities. They should also consider the impact on the environment, the reputation of the charity and success in the longer term.

Board decisions can only be justified by the best interests of the charity, not on the basis of what works best for anyone else, such as particular executives, shareholders or other business entities.

But directors should be broad minded in the way that they evaluate those interests – paying regard to other stakeholders rather than adopting a narrow financial perspective.

3. Exercising Independent judgement

The third major duty requires directors to exercise independent judgement. Directors are meant to develop their own informed view on the charity's activities.

Directors should not be delegates who simply implement the commands of other parties. Nor should they avoid their responsibility to make independent decisions by relying on the knowledge or judgement of other directors or experts.

A director needs to form their own view, and this may require some effort – especially if they are not already familiar with key aspects of the charity's activities.

4. Exercise reasonable care, skill and diligence

There was a time when directors could be appointed purely for their name or reputation, without the expectation that they would actually do any work as a board member. Those days are now over due to the duty for directors to exercise reasonable skill, care and diligence in their role.

The benchmark is that of a reasonably diligent person with the general knowledge, skill and experience that could reasonably be expected from a person carrying out the director's functions. Also, directors with specific professional training or skills (such as a lawyer or accountant) are held to a higher standard in related issues than less qualified colleagues.

5. Conflicts of interest and personal benefits

For more information, please read SCF Policy no.9 on 'Conflict of Interest'

The remaining legal duties relate to the need for directors to avoid or manage conflicts of interest which may affect their objectivity.

If situations arise which impose claims on a director's attention or loyalty, it is essential that they disclose these.

Examples of conflicts of interest include situations where the director has relationships of a business or personal nature with persons or entities that are affected by the charity's activities. It could also relate to situations where the director may be considering taking advantage, on a personal basis, of property, information or opportunity which belongs to the charity.

Gifts or benefits from third parties are also a potential threat to a director's objectivity. Most importantly, directors have a statutory duty to disclose any direct or indirect interest in proposed or existing transactions or arrangements with the charity.

6. Keeping a record

One of the important purposes of the minutes / summary notes of board meetings is to provide a record of the board's decision-making process.

By law, these minutes / summary notes must be kept for 10 years. Years from now, it may be difficult for you to remember if you fulfilled your directors' duties in respect of some key decision. The minutes / summary notes can provide vital evidence that you did fulfil your duties.