

New
Philanthropy
Capital

The benefits of trusteeship

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Summary

'The trustees are the owners of the charity; they pass the baton on from generation to generation.' So says Ciaran Devane of Macmillan Cancer Support, reflecting on the crucial role that trustees play in guiding charities and safeguarding their future.

Being a trustee is not only a valuable way of contributing to the charity sector, however. It can also be a fascinating and rewarding experience for individuals. *'This is something that people should be doing,'* says Manny Roman, who sits on both commercial and charity boards. *'It enriches your life and makes you a better person.'* Trusteeship often also helps individuals to broaden their interests and develop their skills. *'It is good training managing a charity's day-to-day affairs, budget and strategic direction,'* Alan Mak, a young solicitor, trustee and school governor, tells us. *'I get a chance to use and enhance my decision-making, project management and strategic thinking skills.'* The role can be rewarding in simpler ways as well: *'It's hard work but also a lot of fun,'* remarks Christopher Jonas, a trustee with many years of board experience.

Estimates suggest that there are between 820,000 and one million trustee positions in the UK, but almost half (48%) of charities have at least one vacancy on their board.¹ New, committed trustees are much needed, particularly in these difficult economic times when charities are under enormous pressure.

Demand for charities' services is rising: over half (54%) of charities surveyed in 2011 had seen increased need for their services in the current environment.² At the same time, funding is being squeezed. Statutory funding for charities is being cut by local authorities and other public bodies looking to make savings. Voluntary donations from the public are falling, and donations and grants made from investment income are under pressure as markets see-saw and interest rates remain low.

Charities need support and guidance from their trustees, now more than ever. Yet 95% of respondents to a 2006 survey were unaware that they could support a charity by becoming a trustee.³ This is why the Charity Commission, along with charities and professional organisations, launched an annual Trustees' Week in 2010 to raise awareness of trusteeship and to showcase the great work that trustees do.

In this report we explore the value of trusteeship through the eyes of individuals and charities, and provide practical guidance on finding suitable trustee positions. We also discuss the perspective of employers and professional bodies, which stand to benefit from trusteeship too. As Helen Simpson, BT's Director of Volunteering, says: *'Increased motivation not only improves employees' performance back in the workplace, but they can also apply the new skills and confidence they are gaining through the trustee role.'*

We hope this report will inspire more people to volunteer as trustees and raise awareness of all the opportunities that trusteeship offers.

¹ Vernon, B. and Stringer, E. (2009) *Board matters: A review of charity trusteeship in the UK*; Trustees' Week website: <http://trusteesweek.blogspot.com/p/trustee-facts-and-figures.html>; Governance Hub and Office for Public Management Ltd (2006) *Support and Resource Needs of Trustees and Chairs in Voluntary and Community Organisation*.

² Charity Finance Directors' Group and PFK (UK) LLP (an accountant and business adviser), (2011) *Managing Risk: Operating in the new world*. The survey was conducted among UK charities in June 2011, and had 288 responses.

³ Governance Hub (2007) *Evaluation report for the Get on Board trustee recruitment campaign*.

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1. Why become a trustee?

Have you ever thought about being a charity trustee? Are you aware of the opportunities the role can offer to use your skills, broaden your experience and enhance your career? Do you know that joining a trustee board is one of the most important ways in which you can support charities?

Being a trustee can be a fascinating and rewarding experience. However, trustees are in short supply sadly, perhaps because people do not think of it as an option or do not know how to go about finding a trustee position. It is estimated that there are between 820,000 and one million trustee positions in the UK.¹ However, 48% of charities are thought to have at least one vacancy on their board,² and the most recent Charity Commission research found that 39% of charities sometimes experience difficulties in filling trustee vacancies.³

With this report, we hope to inspire more people to become trustees and encourage more employers and professional bodies to support their employees and members in becoming trustees. The report will provide:

- an insight into the benefits of trusteeship as seen through the eyes of individuals from a variety of backgrounds and at different stages of their careers; and
- practical guidance on finding a trustee position that is a good fit and combines opportunities for personal development with the opportunity to make a very real difference to a charity and its beneficiaries.

What does a charity trustee do?

In a nutshell, trustees are the people responsible for ensuring that charities are well run, solvent and working towards the charitable purpose for which they were established. Trustees form the governing board of an organisation and are sometimes known by other names, including directors, board members, governors and management committee members. Although staff and possibly others may be involved in the governance of a charity, it is the board of trustees which is ultimately responsible for its actions and its direction and strategy.

Trustees have responsibilities on two levels:

- **Mandatory responsibilities**—these include ensuring the charity complies with regulation, acts with integrity, avoids conflicts of interest, monitors risk and does not misuse funds.⁴
- **Optional responsibilities**—these are about helping the charity to follow good practice, and may include: setting the strategy; agreeing clear roles and responsibilities for trustees and the charity's staff; supporting senior management; attending regular board and sub-committee meetings; taking the time to stay up-to-date with the charity's work and the environment in which it operates; and reviewing board performance.⁵

The role of a trustee varies depending on the type of charity. As the trustee of a small charity with a few thousand pounds in the bank and no staff, you are likely to play a very hands-on role in the management of the organisation, and the challenge will be to balance that with

¹ Vernon, B. and Stringer, E. (2009) *Board matters: A review of charity trusteeship in the UK*; Trustees' Week website: <http://trusteesweek.blogspot.com/p/trustee-facts-and-figures.html>.

² Governance Hub and Office for Public Management Ltd (2006) *Support and Resource Needs of Trustees and Chairs in Voluntary and Community Organisation*.

³ Charity Commission (2005) *RS10: Start as you mean to go on: Trustee recruitment and induction*. www.charitycommission.gov.uk/publications/rs10.aspx.

⁴ Charity Commission (2008) *CC3: The Essential Trustee: What you need to know*. www.charitycommission.gov.uk/publications/cc3.aspx#11

⁵ Vernon, B. and Stringer, E., *op cit*.

maintaining strategic oversight. In contrast, as the trustee of a large national charity, you may be overseeing an organisation with hundreds of staff and turnover of millions of pounds. In this case, your role as trustee may be more formally defined, for example, it might involve chairing a board sub-committee, helping to put together complicated management accounts, and visiting regional projects to meet staff, volunteers and beneficiaries.

Why consider becoming a trustee?

We believe there are four key reasons to be a trustee.

1. Trusteeship matters—to charities and to society

Being a trustee gives you the opportunity to make a valuable contribution to the charity sector. Charities play a crucial role in tackling pressing social and environmental problems and trustees have ultimate responsibility for their work. As Ciaran Devane, CEO of Macmillan Cancer Support, puts it, *'trustees are the owners of the charity; they pass the baton on from generation to generation'*—so being a trustee is a very important role.

Charities are a major force in the UK:

- There are over 171,000 charities in the UK (and many more social enterprises, co-operatives, housing associations and other civil society organisations).
- The total income of charities in the UK amounts to about £35.5bn.¹
- Charities employ 723,000 people in the UK (this was higher until recently; employment in the voluntary sector has dropped by 8.7% in the past year).²

Charities provide much needed services to vulnerable people and communities. They also protect the environment, undertake research to improve our understanding of problems, inform policy, and lobby for social change. Their role is becoming all the more important as the effects of the economic downturn are felt and public services are scaled back: over half of charities responding to a 2011 survey reported increased need for their services.³ Like the people they support, many charities are also feeling the financial squeeze; at the time of writing, Voluntary Sector Cuts, a project that asks charities to submit data about cuts to their statutory funding, had reported cuts amounting to just over £77m since 2011.⁴ It is crucial that charities engage trustees who are willing to spend time supporting the management through difficult times.

2. The charity sector needs more trustees

It is estimated that 48% of charities have at least one vacancy on their board.⁵ Part of the problem is that not enough people are aware that they could become a trustee or know what that would involve. For example, in 2006 a survey showed that only 5% of people were aware of trusteeship as a way to support a charity.⁶ As one trustee we spoke to, Emilie Goodall, noted: *'A lot of young people don't even realise that they can be trustees. The assumption is that "no one is going to want me because I'm too young", and it can be daunting to walk into that environment. But you can get so much from it.'*

¹ Clark, J., Kane, D., Wilding, K. and Wilton, J. (2010) *The UK Civil Society Almanac 2010*. NCVO.

² Weakley, K., *Voluntary sector workforce has fallen by 70,000*, in Civil Society, 9 January 2012.

³ Charity Finance Directors' Group and PFK (UK) LLP (an accountant and business adviser), (2011) *Managing Risk: Operating in the new world*. The survey was conducted among UK charities in June 2011, and had 288 responses.

⁴ Voluntary Sector Cuts is a collaboration between a group of 25 voluntary and community organisations. Charities and other voluntary organisations can submit data about cuts to their statutory funding through the Voluntary Sector Cuts website: <http://voluntarysectorcuts.org.uk>

⁵ Trustees' Week website: <http://trusteesweek.blogspot.com/p/trustee-facts-and-figures.html>

⁶ Governance Hub (2007) *Evaluation report for the Get on Board trustee recruitment campaign*.

This is why the Charity Commission is working with a group of charities, umbrella organisations and professional bodies to run Trustees' Week, an initiative launched in 2010 to raise awareness of trusteeship and showcase the vital work that trustees do.¹

Contrary to what many people believe, you do not have to come from a professional background in order to be a trustee. Boards need a range of skills and perspectives, and anyone over the age of 18 can become a trustee (with a few exceptions, such as individuals who have previously been disqualified as a company director or those who have been convicted of an offence involving dishonesty). Some charities also have specific criteria, such as existing membership of the organisation or a CRB check, which they should mention when advertising the vacancy.²

3. Many boards would benefit from greater diversity

A board should ideally include people with a mix of experience, skills and perspectives, as this ensures broad representation, fosters constructive debate and helps the board to support the management of the charity.

However, there is a lack of diversity on charity boards: too often trusteeship is seen as an activity for retired middle class people. The average age of trustees in England and Wales is 57, two-thirds are aged 50 and over, and only 0.5% are aged between 18 and 24.³

Diversity of skills is also an issue, particularly as many charities rely on informal recruitment. Research suggests that approximately 81% of charities rely on word-of-mouth and personal recommendation as a method of attracting new trustees.⁴ Indeed, Charity Commission research a few years ago showed that 66% of large and 72% of very large charities found it difficult to attract new trustees with the right skills.⁵

4. Being a trustee is rewarding

Being a trustee can be beneficial to individuals, employers and professional bodies, as well as charities and their beneficiaries, as the following case studies show.

- **The individual's perspective.** There are many things that individuals can gain from being a trustee. As well as the personal satisfaction associated with giving something back, it can provide opportunities for individuals to find new interests, develop their skills, broaden their experience, and meet new people.
- **The perspective of employers and professional bodies.** For employers, supporting trusteeship can help develop staff skills and experience and give younger employees an opportunity to gain board-level experience at an early stage in their career. By giving staff paid time off to volunteer as trustees or providing them with training, employers can also tie trusteeship in with their corporate responsibility programmes, thereby enhancing staff loyalty and improving recruitment and retention. Some professional bodies also encourage their members to become trustees because being a professional carries a certain amount of privilege and they hope that members will use their skills, knowledge and experience for the greater good.

¹ For further information see <http://trusteesweek.blogspot.com/>

² 'Who can be a trustee?' on the NCVO website: www.ncvo-vol.org.uk/advice-support/trustee-governance/trustees/who; and CC3: *The Essential Trustee* on the Charity Commission website: www.charitycommission.gov.uk/publications/cc3.aspx#e3.

³ Trustees' Week website: <http://trusteesweek.blogspot.com/p/trustee-facts-and-figures.html>

⁴ Charity Commission (2005) *RS10: Start as you mean to go on: Trustee recruitment and induction*. www.charitycommission.gov.uk/publications/rs10.aspx.

⁵ *ibid.*

- **The charity's perspective.** Trustees play a very important role in setting the direction, and overseeing the operation, of charities. They can be a valuable source of new skills, experience and perspectives to which an organisation might not otherwise have access.

2. The individual's perspective

Thousands of people become trustees and they do so for all sorts of reasons. They may be pursuing a desire to give something back, for example, or hoping to broaden their experience and skills. So, to give an idea of what being a trustee means in practice and why people do it, NPC interviewed four trustees at different stages in their lives, from individuals early on in their careers for whom trusteeship is their first experience of sitting on a board, to those at the height of their careers or in early retirement, with extensive board experience in both commercial and charity sectors.

All four interviewees discuss why they find it such a rewarding experience, highlighting a range of motivations, and explain how they fit the commitment into their busy lives.

- A common motivation is a strong drive to give something back. Alan Mak, a 28-year-old solicitor at Clifford Chance talks about wanting to support an education charity because education opened up opportunities in his own life. Manny Roman, Chief Operating Officer at hedge fund MAN GLG, also talks about '*a moral obligation to give back*' and says that philanthropy brings '*a sense of balance, of relativity*'.
- They all describe the satisfaction they gain from being a trustee—the opportunities to gain new experiences, develop new skills and meet new and interesting people—and emphasise that, as well as enriching your life, it is fun. '*It's hard work but a lot of fun*,' says Christopher Jonas, former President of the Royal Institution of Chartered Surveyors.
- Some also discuss the benefits of trusteeship for career development. Christopher Jonas was frank: '*My career path—from working in a relatively narrow profession to becoming a complete generalist—is substantially the result of the experience I've gained outside that profession, through pro bono work.*' For younger people in particular it can offer an opportunity to get board-level experience at an early stage in their career. Emilie Goodall, a 29-year-old project manager at the UN-backed Principles for Responsible Investment, told us that being a trustee provides '*a good opportunity to learn more about how boards work—I learnt a lot about the dynamics of a board, and aspects of management that I wouldn't otherwise have had experience of at this stage in my career*'.
- At later stages in life, trusteeship and philanthropy can play other roles, such as providing ways to pursue interests outside work. '*The people you meet are interesting*,' says Christopher Jonas, '*the meetings are interesting and I enjoy the company of people putting something back into society.*' Trusteeship also provides an opportunity to use the skills and experience gained over a long career to make a valuable contribution to society.

Alan Mak

Alan Mak, 28, is a solicitor at global law firm Clifford Chance, President and trustee of the charity Magic Breakfast, and governor of a school near his home in east London.

Life at work is very busy, but Alan also finds time for philanthropic work—he is a governor at the primary school nearest to his home in east London and a trustee, and President, of Magic Breakfast, a charity that works in deprived areas across the capital and elsewhere in the UK, to provide breakfast to children before school. '*I believe that you should do good, not just do well*,' he says, adding that, '*Individuals have an obligation to contribute to society in general and to local communities in particular.*'



Young though he is, Alan has been giving up time outside study, then work, for many years—*'Philanthropy should be built in, not bolt-on,'* he says. Graduating from Cambridge, he became a member of its Alumni Advisory Board and is also now chairing its Cambridge10 network for young alumni. As soon as he arrived in London, Alan became a governor at Wellington Primary School in Bow. He is passionate about education and credits his own success to the excellent start his primary school in Yorkshire gave him. His early experiences there, when he sometimes arrived at school hungry, meant he empathised with some of the children at Wellington who came to school without eating breakfast beforehand. This motivated him to get involved in Magic Breakfast three years ago. *'Education is clearly a route out of poverty,'* he says. *'It enhances people's life chances, but it's difficult to make the most of it if you're so hungry you can't concentrate.'*

Alan spends around eight hours each week on his various philanthropic interests, of which the lion's share is for Magic Breakfast. As a trustee, he attends around ten formal meetings each year. He also speaks on the phone each week to its management and as President is the lead trustee for external engagement, for example, applying for the Big Society Award which the charity won in December 2011. He has recently devised a strategy to get more local councillors and MP candidates engaged at a community level with Magic Breakfast. *'I do the work mainly at weekends,'* he says. To fit it all in Alan acknowledges that he has had to cut back on other things, *'but my philanthropic work is important to me and Magic Breakfast gives me the opportunity to use my professional skills to help a great charity address a pressing social need.'*

His employer, Clifford Chance, actively supports and encourages staff to volunteer, for example through working with School Governors' One-Stop Shop, an organisation that helps employees find suitable school governor roles. Work comes first, though, and when there is a clash, Alan says both school and charity do understand. *'There's a mutual understanding,'* he explains, *'and the overall contribution outweighs the odd absence from a meeting when things are busy at work.'*

Alan also notes that volunteering is beneficial to his firm. At Clifford Chance, *'Time spent volunteering is recorded and counts towards appraisals and your bonus.'* This is not, he thinks, due solely to Clifford Chance's commitment to corporate responsibility, but to the wider benefits to employers from this sort of experience. *'It is good training managing a charity's day-to-day affairs, budget and strategic direction,'* he thinks. *'I get a chance to use and enhance my decision-making, project management and strategic thinking skills. Plus it makes me a more rounded employee, as I get to work with a diversity of people and in a different, more collegiate decision-making environment. And I get a bigger say in those decisions!'* Finally, he allows, *'Volunteering helps develop staff who can be ambassadors for the firm—who are living the values that we talk about in our brochures.'*

Of course, what's good for Clifford Chance is also good for Alan. Though genuinely altruistic, he also knows that his experience as a trustee may benefit his future career. *'I'm the youngest trustee at Magic Breakfast, but was recently appointed President by my peers,'* he explains, *'so I don't feel unequal in any way. The work I do there is useful, and also career-enhancing ... an opportunity to gain new skills and board-level experience.'*

Regardless of career, though, *'Volunteering makes me a better person,'* he says. *'Communities are stronger if everyone contributes ... especially young people, as there seems to be a gap in people's desire to volunteer between the ages of about 21 to 35.'* He is unusual among his peers in being a trustee at this age, he thinks, and his advice to others would be: *'Go for it! You get huge satisfaction in contributing to the local community or solving a social problem, plus you gain new experiences, meet new people, get new skills. I would especially recommend it to young people at the beginning of their career.'*

Emilie Goodall



Emilie Goodall, 29, is a Project Manager in Inclusive Finance at the UN-backed Principles for Responsible Investment. She is a trustee at the Lucy Faithfull Foundation.

'You have to be passionate about what the charity's doing—why else would you do it?' says Emilie, an ex-NPC analyst who now works at the UN-backed Principles for Responsible Investment and is a trustee of the Lucy Faithfull Foundation.

The Lucy Faithfull Foundation (LFF) is a child protection charity working in the field of sexual abuse, which takes the unusual approach of preventing sexual abuse by working with sexual offenders in an attempt to reduce their risk of offending. Emilie first became interested in LFF's work while researching NPC's report on child abuse, *Not seen and not heard*,

and, on leaving NPC, approached the charity to see whether she could help it as a volunteer. LFF asked her to send her CV, and, after an interview with the chair, invited her to become a trustee.

This was four years ago and since then Emilie has given up an average of half a day each month to her role as trustee for LFF. Now 29, she has become increasingly involved with the charity over the years. *'I was asked quite early on whether I would sit on the finance sub-committee,'* she says, *'and at the moment I'm involved with our new fundraising strategy.'*

'I got involved initially because I was really interested in LFF,' she says, *'and hoped to add value to the direction of a really important organisation.'* She also recognises that the role provided *'a good opportunity to learn more about how boards work—I learnt a lot about the dynamics of a board, and aspects of management that I wouldn't otherwise have had experience of at this stage in my career'*. Emilie values the collegiate experience at LFF too: *'It's a great group of people and I enjoy spending time with them.'*

This board-level experience was also valuable to Emilie in the job she took having left NPC, at CAF Venturesome, an organisation that provides affordable loans to charities, social enterprises and community groups. *'My experience on the LFF board became really critical to my work at Venturesome,'* she says. *'We often worked with charity boards when making investment decisions, and so my own experience really helped.'*

Combining a full-time job and her role as a trustee is certainly demanding, particularly as LFF is based in Birmingham, where the trustees occasionally meet, so Emilie, who works in London, has to build travel time into her schedule as well. The board meets quarterly, but Emilie estimates that she ends up spending around a half day each month on LFF. The time commitment doubled after she took on the finance committee post and has recently risen further due to her involvement in the fundraising strategy. Emilie is happy to speak to other trustees or to the fundraising consultant between formal meetings, but admits that it can be difficult to fit in around a working day, and has suggested time-saving measures, such as sometimes having conference calls rather than physical meetings. *'Three hours in the middle of the day can be problematic,'* she says. *'This is something that I've raised with the board and something we'll need to address if we want to take on other trustees who work full-time.'*

Emilie is the youngest on the LFF board. *'My age can be useful,'* she says, *'though it's sometimes a surprise to people when I meet them. It means that staff and board alike have asked for my views when exploring newer subjects, such as social media.'* She also notes that her experience working in more generalist charities such as Venturesome and New

Philanthropy Capital has helped her make a valuable contribution to LFF. *'The knowledge of the sector that I brought from my research into child abuse was useful for LFF,'* she says, *'as was my understanding of donor behaviour.'*

Emilie has just begun a second term of three years with LFF. She hopes to help broaden out LFF's fundraising: in 2010/2011, 45% of the charity's funding came from government grants and contracts, and income is therefore likely to be affected by reductions in public sector spending. *'We have to look outside,'* she says, *'something we've done with considerable success in recent years, but attracting new areas of income is increasingly on the board's agenda.'*

To a younger person considering becoming a trustee, she advises: *'A lot of young people don't even realise that they can be trustees. The assumption is that "no one is going to want me because I'm too young", and it can be daunting to walk into that environment. But you can get so much from it.'* She admits that it can be hard to find suitable opportunities as *'the only ones that are advertised externally seem to be for the big charities, which do tend to want trustees with more experience.'* Nonetheless, she concludes: *'Go for it!'*

Manny Roman

Manny Roman is Chief Operating Officer of hedge fund MAN GLG, and sits on boards in both the commercial and charity sectors.

'This is something that people should be doing,' thinks Manny, long-time philanthropist and trustee at two charities. *'It enriches your life and makes you a better person.'*

Manny is a trustee at The Royal Marsden Hospital Charity and at Greenhouse Schools Project, and is heavily involved with two other charities: The Children's Investment Fund Foundation (CIFF), where he chairs the finance committee; and the Tate, where he is a member of both the collections committee and the fundraising board. He gives time as well as money to these organisations, plus others he supports to a lesser degree. Manny estimates he spends around eight hours each week and says, *'I'm very happy to do it. It's an important part of my life.'*

Why these charities specifically? At the Marsden and the Tate, Manny's involvement was prompted by personal reasons: cancer in the family in the first case, a love of art in the second. At Greenhouse and CIFF—charities which work respectively with disadvantaged young people here, and in Africa and India—Manny became involved partly at the prompting of their founders, partly because of the importance of the work. *'I get a sense that I'm doing something to help the community as a whole,'* he explains.

Why is he a trustee at some and not others? *'It's not a question of time spent,'* he says. *'I probably spend most time on CIFF, in fact, but am not a trustee there. I know very little about development economics, there are better people than me to be trustees. I do know about investment, so can help a lot on the finance committee.'* Likewise, at the Tate, Manny feels he can contribute most effectively to the gallery's fundraising effort, as well as having the pleasure of sitting on its collections committee. *'The mission of the Tate and the way it's run are fantastic,'* he says. *'It is hard to raise money, of course, but my role there is near perfect for me.'*

At Greenhouse, Manny is also heavily involved in fundraising. *'We run the corporate dodgeball event each year, which raises a lot of money,'* he explains. *'The great thing about Greenhouse is that all the money goes to the kids,'* he says (Greenhouse's founder, Mike de Giorgio, and its trustees fund the running costs of the charity). *'I really like it because it's so efficient, really well run—you can see where every pound goes.'*

The motivation for his role at The Royal Marsden is slightly different. *'I go there all the time,'* he says. *'You can see lives being saved.'* As well as attending the quarterly board meetings at the

hospital, Manny sits on the investment committee and is involved in fundraising, including events held at his own home.

Indeed, Manny involves his family in much of his philanthropic work. His teenage children are being shown the world outside their home and school by their parents: *'They're being introduced to the idea that giving and sharing, in a non-religious way, is very important.'* He and his wife Barrie also want to show them that philanthropy is fun. *'I very much like the people,'* he says, and part of his philanthropic effort includes encouraging other people to get involved, as well as to give.

On the whole, Manny believes, *'it's very hard to raise money'* and not just in the current climate. Yet philanthropists have so much to gain, not least *'a sense of balance, of relativity'*. And this, really, is his motivation. Manny's philanthropy has little to do with his career: the career facilitates the philanthropy but is not, he feels, helped by it. *'Philanthropy is the right thing to do,'* Manny concludes. *'I've been really lucky in life, and have a moral obligation to give it back and to help others.'*

Christopher Jonas



Christopher Jonas, CBE, is Chairman of Henderson International Income Trust and senior advisor to Lazard. He is also Chair or trustee of a number of non-profit organisations.

Christopher has been a trustee of numerous charities over the years and believes that it has had a critical influence on the development of his career. *'My career path—from working in a relatively narrow profession to becoming a complete generalist—is substantially the result of the experience I've gained outside that profession, through pro bono work.'*

Christopher reflects that one of the benefits of trusteeship was the broad, senior-level experience it gave him at an early stage. He also enjoys it: *'It's fun—all pleasure. The people you meet are interesting people, the meetings are interesting, and I enjoy the company of people putting something back into society.'* What is more, *'I get out of it a sense of worthwhile-ness.'*

Now 70, and spending two days each week on pro bono work, Christopher first embarked upon this 'alternative career' in his mid 20s. As a junior chartered surveyor, lacking experience and confidence, he realised that he could gain both by taking on voluntary roles at the chartered surveyors' industry body, the Royal Institution of Chartered Surveyors (RICS). *'It was not altruism at first,'* he says. *'It was accretive to my career, frankly.'* Christopher was aiming to gain contacts and board-level experience, and also hoped to broaden his skills. *'I saw that senior business people had the ability and the confidence to distil any argument into three succinct points, and also to hold a table—in other words to get a group of people listening to what they had to say—and I wished to gain experience of doing that myself.'*

In the following years, as he worked his way up the RICS hierarchy (where he was eventually to become President for 1992/1993), Christopher began to appreciate the benefits of *'putting something back'*. He went to business school in his early 30s, after which he began to put a lot more back, including founding a charity, ProHelp, now part of Business in the Community, in 1989. From one firm—his own—Christopher built up the charity to its current membership of around 1,000 companies, each of which gives an average of £5,000-worth of pro bono advice

and professional support to charities every year. Philanthropy began to become a driving force in his life.

Where once Christopher had to shape his own pro bono work, charities now increasingly come to him. *'It's been random,'* he says, *'a ragbag of approaches from people, not planned at all.'* Over the past three decades he has done pro bono work on the boards of charities, universities and schools, and has been Master of The Clothworkers' Company, a livery company in the City of London. In 1995, Christopher left his own firm, Drivers Jonas, and set up in business alone, partly for the interest of running a small-scale enterprise; partly to give him the time to pursue non-executive interests; and partly to facilitate the two days' pro bono work he wanted to do each week.

At the moment, Christopher combines several non-exec roles with a portfolio of pro bono work. As well as being a Clothworker, and Chair of the Senior Committee there, he is Chair of Goldsmiths College governing body and Chair of the Second Stage Project at Tate Modern, and has only recently retired as Chair of the governing body of Roedean School. Christopher has studied independent chairmanship in some depth, such as how to contribute while not getting in the way of a chief executive's career. *'I see myself as a 'critical supporter' or maybe a 'supportive critic' to management,'* he says, whether that is the management of a commercial company, a school, or a charity.

Whilst he thoroughly enjoys these pro bono roles, he does feel that recognition is sometimes lacking. A donor who gives a building £50,000 might get his or her name on its wall, for example, but a donor who gives the equivalent of £100,000 in time and expertise, ie, professional fees foregone, probably will not. If charities are to encourage more people to provide voluntary support, he thinks they need to think carefully about how they acknowledge its value. Nonetheless, there will always be *'doers'* in life, *'people who give'*, and of course this approach to life is not primarily about recognition.

Pro bono work helps complete a personal *'annual profit and loss account'*, Christopher thinks, which he aims to keep broadly in balance. He hopes that his children will do likewise, having seen the satisfaction this kind of work has given him over his life. *'I've been very lucky,'* he says of the work he has done, contacts he has made, and organisations he has helped. *'I think of life as like being on a taxi rank—I just made sure that my taxi was on the rank outside the Savoy.'*

3. The perspective of employers and professional bodies

Employers and professional bodies also stand to benefit from supporting their staff or members to volunteer as trustees, and some now actively encourage trusteeship as part of their broader corporate and social responsibility initiatives.

NPC spoke to one employer, BT, and one professional body, the Institute of Chartered Accountants in England and Wales (ICAEW) about their support for trusteeship, and what they and their employees and members gain from the experience. They noted that:

- Individuals become trustees for a variety of reasons. These may include personal links or emotional connections with a charity, the wish to improve their skills or use them more widely, and the desire to 'give something back'.
- Trusteeship can support personal development and enhance individuals' professional skills and confidence. Anne Davis of ICAEW explains, *'Volunteering widens your field of experience and expertise, helps you develop skills, for example, in leadership, team building, and campaigning and also allows you to put your qualification to great use.'*
- It can also improve emotional intelligence, as Helen Simpson, Director of Volunteering at BT, observes. Helen notices that staff often *'come back from working with charities with a different view of the importance of relationships and a more rounded view of the world'*.
- Trusteeship may be particularly valuable as a way of giving promising 'future leaders' the opportunity to gain board-level experience at an earlier stage in their career. As young solicitor Alan Mak puts it, through being a trustee, *'I get a chance to use and enhance my decision-making, project management and strategic thinking skills.'* He also comments that *'it makes me a more rounded employee, as I get to work with a diversity of people and in a different, more collegiate decision-making environment'*.
- Trusteeship and other forms of volunteering can also be fun and rewarding. They can boost employees' energy and enthusiasm, and increase their loyalty to their employer, thereby improving recruitment and retention of staff. At BT, for example, Helen feels that *'Employees feel more engaged with and proud of BT after participating in its volunteering work.'*
- From the employer's perspective, it is important to encourage and facilitate trusteeship, but it still needs to be a voluntary commitment and you need to bear in mind individuals' interests and personal circumstances.
- Investing time upfront in supporting employees or members to find a good match with a trustee role is well worth it as it helps both the individual and the charity to get the most out of the experience.

BT

Helen Simpson, Director of Volunteering, and Lucy Dennett, Head of Regulatory Affairs, explain why encouraging trusteeship is a key part of the volunteering programme at BT.

'Employees feel more engaged with and proud of BT after participating in its volunteering work,' says Helen. She believes that promoting volunteering, including trusteeship, to its employees, brings clear benefits for the company, and notes that those employees who participate also benefit, as do the charities they volunteer for.

BT's volunteering department is still relatively young—the brainchild of the company's incoming chair, Michael Rake, who set it up in 2008. Perhaps unusually for a community engagement

function, it sits within the HR Group, though closely aligned to BT's wider Corporate and Social Responsibility Programme. *'It's all about the individual employee,'* explains Helen. *'It's about his or her career progression and personal development.'*

BT employs over 90,000 staff, mostly in the UK but also globally, and its aim is to give each of them three paid volunteering days each year. BT has developed a range of volunteering programmes with lead partners, but is also keen to encourage employees to come up with their own forms of volunteering, with whichever charities they care to work with. *'One of the goals of the volunteering department was employee engagement, so we consciously created a significant 'bottom-up' element to the scheme. Any BT employee can nominate any charity for volunteering, subject to due diligence,'* says Helen.

Encouraging and supporting trusteeship is one of the volunteering programme's priorities. Many of the company's staff, especially at senior levels, were already trustees before the programme began: partly through personal conviction and partly because BT has, for some time, supported a programme matching senior people to non-executive posts in NHS hospitals and other public bodies.

BT still supports senior executives to become trustees, and also has a particular focus on encouraging trusteeship among its 'Talent Pool' of people identified as high flyers and future leaders of the company. Helen is adamant that BT enables, rather than requires, employees to volunteer, saying *'We have gone to quite a lot of effort to ensure that volunteering is voluntary,'* but she is beginning to formalise the way she handles trustee vacancies she is asked to fill by charities. She has organised a series of trusteeship workshops (one of which was led by NPC) and highlighted to employees how they might gain new skills and experience from trusteeship.

When it comes to trusteeship, the team takes time to match charities' needs with volunteers' skills, for example in finance, HR, strategic planning and change management. Helen notes that this approach ties in with government guidance—one of the Office for Civil Society's expectations of corporate volunteering is that corporates should consult charities about what type of help they need so that they can find a good fit.

Helen believes that investing this time upfront is worthwhile because it helps both parties to get the most out of the trusteeship. It offers charities access to skills that they value, and Helen thinks that employees can help *'contribute to a more business-like way of approaching key issues, and help charities look at problems from a different angle, which might be the biggest benefit of all'.* She also highlights the benefits to the employees that matching them with the right trustee role supports their development and can give more junior employees board-level experience at an early stage in their career. *'Increased motivation not only improves their performance back in the workplace, but they can also apply the new skills and confidence they are gaining through the trustee role. Being a trustee requires real clarity of decision-making linked to the charity's objectives and building consensus with people from a variety of backgrounds and perspectives.'*

BT's volunteering programme is gathering momentum. In the first year, BT enabled 28,000 days of employee volunteering, and in the second, 49,000 days. However, the company is interested not just in increasing the quantity of volunteering, but gauging its quality, too. Lucy Dennett, who has been seconded to the Volunteering Team specifically to look at how BT can measure the impact of its volunteering, notes that, *'We can speculate what impact the work has on BT, its people and partner organisations, but we can't know the real benefits unless we measure them.'*

Lucy and her colleagues in the Volunteering Team are now testing frameworks that should capture the outcomes, not simply the outputs of the Programme, for stakeholders both internal and external. In the meantime, feedback from employee volunteers and the results of the company's quarterly employee survey point to the benefits of volunteering, including trusteeship. *'Often, people also come back from working with charities with a different view of the importance of relationships,'* Helen says. *'They have a more holistic view of the world and*

how they fit into it, which they tell me benefits them. And when people have a more rounded view of the world, it means that they are more useful to BT because their emotional intelligence grows.'

More broadly, levels of energy, commitment and loyalty all seem to rise when employees get involved in volunteering. *'Employees get excited about seeing how their skills can make a difference,'* Helen says, *'and they bring that energy back into the business.'* Not only does BT benefit from the development of staff skills, but volunteering also helps staff retention and recruitment. *'People are hugely motivated through taking on a trustee role and feeling that their skills and experience are helping to make a real difference,'* Lucy says. *'It's rewarding for them to know that the decisions taken as trustees can be potentially life-changing.'*

ICAEW

Anne Davis, Head of the Charity and Voluntary Sector Group at ICAEW (the Institute of Chartered Accountants in England and Wales) explains why the Institute is keen to promote trusteeship amongst its members.

'Our members volunteer as trustees for all sorts of reasons,' says Anne. *'Sometimes it is due to emotional attachments to a particular cause or personal connections. At other times, members see volunteering as a trustee as a way of widening their skills and getting board-level experience. Others like volunteering because it provides them with a flexible way of using their skills that fits their lifestyle, either because they are on a career break or are retired. Our role as a professional body is to provide them with support in this sector as part of the member offering.'*

The ICAEW is a professional membership body for chartered accountants and has 138,000 individual members. Anne is the head of its Charity and Voluntary Sector Group, a small team that supports volunteering as part of ICAEW's offer of support to its members. In total, its members have more than 33,000 voluntary roles outside their main jobs and ICAEW estimates that at least 11,000 ICAEW members are charity trustees in their spare time.

Charities, of course, love having chartered accountants as volunteers—partly for their finance and business skills and knowledge, but also for the contacts that accountants often bring with them. These skills are in great demand given the fast pace of change affecting the sector, for example in terms of funding, public sector delivery, and regulatory, legal and accounting changes. ICAEW has a range of members who work in, advise, and volunteer for charities. They bring a range of experience to the trusteeship role, including knowledge of accounting issues and budgeting, an awareness of risk management and a breadth of experience from commerce, public practice and other sectors.

ICAEW supports members in their volunteering in a variety of ways:

- **TalkCharity** (www.icaew.com/talkcharity) is a free online community where members can discuss, share and learn from like-minded peers. They can read the latest blogs on topical issues, join the discussion to resolve a problem and share their knowledge and experience.
- **Charity and Voluntary Sector Group** (www.icaew.com/charity) is a subscriber-based group that provides essential knowledge and information to members involved in the sector such as technical updates, helpsheets and best practice guidance. The Group also coordinates ICAEW responses to policy and legislation changes affecting the sector, and organises a number of events and conferences.
- **ICAEWJobs.com** (www.icaewjobs.com) is an online jobs site that advertises finance and accounting jobs in the not-for-profit sector and voluntary roles including positions for trustees, treasurers and school governors to ICAEW members free of charge.

ICAEW has been a supporter of the Charity Commission's Trustees' Week campaign since it started. As part of this initiative, it has organised free webinars and events to provide information and guidance to existing and potential trustees. It also organises an annual Volunteering Fair for members who are interested in a range of volunteering opportunities. Its most recent fair in January 2012 had representatives from a range of charities looking for members to volunteer as trustees, school governors, mentors and advisors.

Anecdotally, Anne believes that there are four main reasons why members volunteer in general, and as trustees in particular. The first is the emotional connection many people have with particular charities or charity sectors, and this often overlaps with the second, which is a friend's request to help. Then there is the motivation of using skills more widely, either in retirement (around 14% of ICAEW members are retired) or during a career break. More senior members might be winding down their careers and have time to give; more junior members might be making time, partly to give something back, partly to gain the board experience that is still a long way away in their own careers. Finally, there is the simple desire 'to give something back' and use skills for the greater good.

ICAEW member Trevor James fits most of these categories. A full-time partner at Sussex accounting firm Sheen Stickland, he volunteers as a trustee for charities local to his home, including the Sussex Community Foundation. *'When I was approached to set it up, I needed no persuasion,'* he says. *'Inevitably, with my background, I have been drawn into the financial side and serve on the treasurer's sub-committee, but I have not been limited to that area. I take real pleasure in seeing how the foundation's grants are making a difference.'* Indeed, Trevor continues, *'I have learnt that by giving a little of my time and talents I can make a real difference.'* He also finds it very rewarding: *'If the truth is told, I get back more than I give.'*

Like people in other professions, however, other ICAEW members may wish to give something back but feel that the demands on time of a trustee role may be too onerous. So, in collaboration with the Charity Commission, ICAEW has developed a pilot project which offers its members the chance to use their skills and knowledge to support charities on a more time-limited/project basis. The pilot project involves reviewing financial controls and risk awareness in 25 charities with incomes under £5m. Experienced members of ICAEW have committed two to three days of their time over the course of six months to support this pilot project. The pilot has been popular with more charities and ICAEW members volunteering than are needed, and it will be interesting to see how the work proceeds, and what is learned by its conclusion.

'We encourage our members to volunteer because we think it's the right thing to do,' Anne concludes. *'Volunteering widens your field of experience and expertise, helps you develop skills, for example, in leadership, team building and campaigning, and also allows you to put your qualification to great use.'* Finally, she adds, *'It can also be great fun and rewarding.'*

4. The charity's perspective

NPC asked two charities for their perspectives on trusteeship and their reflections on what both charities and would-be trustees should bear in mind during the recruitment process.

The charities we spoke to are very different in size and shape: Together Creating Communities (TCC) is a small community organising charity in Wales with income under £100,000, while Macmillan Cancer Support is a national charity with a household name and an income of £134m.

Unsurprisingly, there are some significant differences between their boards. Trustees at TCC, for example, need to be prepared to roll up their sleeves and potentially take on some more operational responsibilities during difficult times; while for the board at Macmillan the challenge is more about striking a balance between keeping up to speed with developments at the charity and not getting mired in operational detail.

However, the case studies also draw attention to themes that are relevant to charities both large and small:

- Trusteeship is a serious responsibility: it is ultimately trustees who 'own' a charity and are responsible for safeguarding its future, as Ciaran Devane, CEO of Macmillan, puts it.
- Trustees should be clear about their motivations for becoming a trustee. Mike Harrison at TCC says: *'Never do it as a favour, that's absolutely fatal. It's a business relationship but with something you believe in.'*
- Charities should be specific about the skills and experience they are looking for in trustees, and clear with candidates about how much time and energy they expect trustees to invest in their role. Mike also comments that *'At whatever level people join ... TCC has a clear conversation about expectations, which is effectively contractual. We say, "We would like you on the board, but this is what we'll expect of you".'*
- The commitment required of trustees will almost always extend beyond board meetings, and involvement in board sub-committees can be as valuable as attending board meetings. Trustees' contacts, and their willingness to network on behalf of the charity, are also highly valued by charities.
- Trustees and charities both get more from the experience if trustees have a good induction and gain first-hand experience of the charity's work.
- The relationship between the board and senior management is crucial, and Ciaran also notes that, *'There needs to be a clear boundary between the executive and the trustees.'*

Together Creating Communities



The Reverend Mike Harrison describes his experience of being a trustee and then a member of staff at Together Creating Communities, a small community organising charity.

'We don't have passengers at any level,' says Mike, who has just stepped down from his role as Acting Senior Organiser at Together Creating Communities (TCC), a small charity that works in a deprived area of North East Wales. A membership organisation, it brings together local groups—churches, faith groups, schools and residents' associations—to campaign for change in their communities. Its work includes lobbying for local authority funding, training community organisers and teaching citizenship in local schools.

TCC has a small staff, and its 11 trustees and other volunteers all have to work hard to maximise the charity's income, which is not guaranteed beyond 2013. All trustees give their time and travel freely. Most have come up through its member organisations—Mike himself was the vicar of one of the local churches—or they have been co-opted by the charity from elsewhere. *'It's about keeping all of your networks open, all of the time,'* Mike says, *'especially for smaller charities like us.'* At the moment, for example, the board includes two bishops, two hospital consultants and two head teachers.

Mike believes it is important to be clear with all potential trustees about the level of involvement the charity will require of them. At TCC, trustees attend five regular meetings each year and one overnight awayday, and most also attend four or five sub-committee meetings. This is a relatively heavy commitment and TCC is careful to explain it to new trustees as part of the recruitment process. *'At whatever level people join, whether it's as staff, volunteers or trustees, TCC has a clear conversation about expectations, which is effectively contractual. We say... "We would like you on board, but this is what we'll expect of you",'* Mike says. In his experience, this does not tend to put people off, even those still in full-time work, who make up around half of the board. For example, when they were experiencing personnel problems last year, TCC asked an HR executive from a local authority to join the board. Mike comments, *'As the saying goes, "If you want something done ask a busy person".'*

New trustees then go through an induction process, which Mike believes is very important. Before coming to their first board meeting they must join other participants on one of TCC's one day leadership training courses. When this happens, the mix of participants can be quite eclectic and all seem to benefit from that mix as the trainer begins to *'draw out the power we at TCC believe exists in everybody'*. The day also gives new trustees a first-hand experience both of the charity's work and of the clients it helps.

Once on board, most trustees also join a sub-committee, either finance, fundraising or personnel. These supplementary roles are as valuable to the charity as the trustees' participation on the main board. Mike emphasises that in small charities trustees should be aware that they should be prepared to increase their time commitment when necessary. A recent example was the way TCC dealt with management challenges and the sudden illness of its long-term Senior Organiser; at one point, the personnel sub-committee was meeting fortnightly. *'Trusteeship here is not patronage,'* Mike says. *'There's hard work involved.'* The challenges were resolved when Mike stepped in as a temporary organiser until the appointment of a new staff member could be made.

Most of the TCC trustees are at the end of the phone and available should staff need help, although they are also careful not to overstep the mark. *'The relationship between the board and management has always been extremely close,'* Mike feels, and there are always one or

more trustees at the monthly management meetings. So long as TCC doesn't ask too much, trustees seem prepared to keep giving time and expertise, not least in using their networks both for TCC's campaigning activity and, crucially, for fundraising.

'High-level contacts, that's also what trustees are about, opening doors.' For a small charity, this part of the TCC's trustee role is crucial and potential trustees should be aware of it from the start. Finances are often tricky for community organisations, which need to manage the flow of income from grant-makers while attempting to attract fees for services, in this case training, as well as donations. Trustees can be very helpful here, Mike says, by drawing on their local networks and their professional contacts from the education, health and faith arenas. Financially, TCC survives on an annual basis, reflecting the charity's hard work on fundraising and the prudence shown by management and board alike.

Mike was initially recruited onto the board from his church in 2003, because of his expertise in leadership training, and its use to TCC. Having spent time both on the board and in the management of the charity, he notes that trustees with appropriate skills are particularly difficult to find. *'It's particularly hard to get good treasurers,'* he says. *'They need to understand the charity world—it doesn't always work simply by asking the local bank manager.'* For anyone thinking of becoming a trustee to a small charity, he advises, *'Never do it as a favour, that's absolutely fatal. It's a business relationship but with something you believe in.'*

Macmillan Cancer Support

Ciaran Devane, Chief Executive of Macmillan Cancer Support, talks about his perspective on the value of trustees.

'Macmillan has lots of different stakeholders, but the trustees are the owners of the charity; they pass the baton on from generation to generation.' This is why, in Ciaran's view, trustees have such an integral and exciting role to play in guiding charities and safeguarding their future.

Governance looks very good at Macmillan and Ciaran notes that he is supported by a *'fantastic, fresh'* board of 14 trustees. Macmillan thinks very carefully about who it wants on its board and trustees are recruited to fit specific gaps in the charity's knowledge, skills and networks—a task that is easier for a big household name than it is for smaller charities. New trustees are usually identified by the charity, often approached by headhunters and, once recruited, inducted formally into the charity over four or five days of meetings and visits, not just at head office but by visiting local services too. Like many other boards, trustees meet eight times a year, more frequently in the case of the three sub-committees and the result is a cohesive, useful group, and one which has a good relationship with the executive group. *'From what I can gather,'* says Ciaran, *'we have a particularly smooth relationship at this charity.'*

As in any big charity, the trustees as a body do not get too involved in day-to-day organisational matters. *'There needs to be a clear boundary between the executive and the trustees,'* says Ciaran, who thinks that trustees should *'coach and guide the strategy in a practical way'*. One of the challenges for trustees at any charity is finding a balance between getting to grips with the charity's situation without getting bogged down in the detail. Since his arrival, Ciaran has taken away some of the routine decision-making that used to slow down board meetings, instead simply presenting a list of relatively minor decisions made since the last meeting, so that trustees can comment if appropriate. This frees up precious trustee time to



consider live issues—*'for example, at the next meeting, we will be looking almost exclusively at the budget'*.

Ciaran notes that the relationship between the chair and chief executive is incredibly important. His relationship with the chair of trustees, Julia Palca, a recently retired partner of law firm Olswang and a Macmillan trustee for nine years, seems a particularly good one. Julia became chair in 2010, and speaks with Ciaran for about half an hour to an hour every week. Indeed, *'She is the first person I pick up the phone to if there's a problem, particularly an external one,'* he says.

Trustees should not assume that their role will be confined to the boardroom: at Macmillan, trustees also contribute outside the formal round of board meetings, not just through the charity's five sub-committees, but on a more practical level too. Although not all trustees get involved in operational issues, *'Where we have the right skills in the trustee body we do try to engage them'*, Ciaran says. For example, trustees have provided help with branding and IT *'as they have experience in the area and an independent view of what's happening on the ground'*. On a more basic level, trustee visits to the charity's projects and services can yield useful operational information as staff will often tell trustees things that they would not tell a manager.

Sometimes this means that the trustees can be challenging, and this too is helpful, usually. *'Trustees can get a bee in their bonnet about small things,'* Ciaran admits, *'but they have the right to, so I usually roll with it.'* More often, trustees can draw management attention to something that should be focussed on. *'Recently, we were challenged on one of our fundraising orthodoxies,'* says Ciaran. *'The trustee said he didn't believe it (the orthodoxy) and asked us to justify it.'* The team went away and looked again, and indeed the challenge was *'really useful'* and is being acted upon.

And trustees, of course, help with networking, influencing and campaigning. Macmillan's trustees are often part of 'the great and the good', for example, the charity has targeted for its board people such as the retiring permanent secretary at the Department of Health. Because people like this are relatively senior already, Ciaran doesn't see them needing any help with their careers through association with Macmillan—but for an outsider it does seem clear that such a trusteeship must add lustre to any career, however successful.

'They represent the measure of the charity's sustainability, its strategic vision,' Ciaran concludes, *'and they have the ultimate responsibility for Macmillan's future.'* After all, *'They own it.'* he says simply, *'I don't.'*

5. Finding a suitable role

If you have read these case studies and feel like trusteeship is something you would like to explore further, either on an individual level or for your organisation, the next step is working out how to find, or help others to find, a trustee position that is a good match for both the individual and the charity. This section provides practical guidance on how to go about this.

Searching for trustee vacancies

There are lots of vacancies for trustees on charity boards, but finding a suitable role can take time. There is no single entry point for searching vacancies, so in Appendix A we list a range of different search options, from online advertisement to more tailored recruitment services.

We would also emphasise the importance of drawing on your networks. About 80% of charities rely on word of mouth for recruitment, so this may be a fruitful way of finding a vacancy.¹ As an individual, you should make the most of your contacts. As an employer you may find that the charities you already support (through donations or other forms of volunteering) have trustee vacancies they would like you to advertise to employees or members.

Assessing whether a role is the right fit

Before taking on a trustee position, it is important to think carefully about whether it is the right fit and check that you, or your employee, understand the commitment involved.

Table 1 provides a checklist of questions to consider when applying for a trustee position. It should be possible to answer many of these questions through a conversation with the chair, chief executive or other trustees. Would-be trustees might also find it useful to ask whether they could sit in on a board meeting as an observer, and whether they could see important documents, such as the charity's governing document, its business plan or strategy, an example of board papers, minutes from the AGM, and its latest annual report and accounts (the latter can also be found on the Charity Commission website), before accepting a trustee role.

Table 1: Checklist for would-be trustees

Issue	Questions to consider
Do I have confidence in the charity?	<p>Is the charity clear about what it does and why?</p> <p>Does it have a robust plan for the future?</p> <p>Can it explain the main challenges it faces and how it plans to manage them?</p> <p>Can the charity assess whether it is achieving its goals?</p>
Is the charity a good fit for me?	<p>Is the charity a good fit for me in terms of my interests and experience?</p> <p>Do I care enough about the issue it addresses?</p> <p>Is there a clear role for me on the board and do I have the necessary skills and experience?</p> <p>How does my role complement those of other board members?</p> <p>Do I feel that the role will give me the experience I am looking for?</p>

¹ Charity Commission (2005) *RS10: Start as you mean to go on: Trustee Recruitment and Induction*.

Do I understand the responsibilities I am taking on?	<p>Do I understand the time commitment that is required and do I have enough time available?</p> <p>As well as board meetings, do I know what other activities I might be involved in (eg, away days, sub-committee meetings, project visits, attending events)?</p> <p>Do I understand what my mandatory and optional responsibilities would be?</p>
Is the board fit for purpose?	<p>Does the governance structure seem to be sound (eg, with regular meetings, clear and transparent processes, good quality board papers)?</p> <p>Does the chair provide strong leadership and have a clear vision for the charity?</p> <p>Does the board seem to work well as a team (eg, are board meetings well attended and are decisions made collectively)?</p> <p>Does the board (beyond the chair) interact with management and staff?</p> <p>Does the board delegate appropriately and avoid getting involved in operational detail, except where appropriate?</p> <p>Does the board show a willingness to review its performance on both an individual and group level?</p> <p>Does the board undertake a skills audit to assess whether it has the right mix of skills and experience?</p> <p>Does the board ensure compliance with regulation?</p>
Does the charity support its trustees?	<p>Does the charity provide new trustees with a formal induction that introduces me to the charity, the sector in which it works, and my role as a trustee?</p> <p>Does the charity offer trustees opportunities for ongoing learning and development?</p>
Do I understand the risks?	<p>Does the charity have a risk register that is regularly updated?</p> <p>Are the board and management clear about how they will manage and mitigate risks?</p> <p>How financially secure is the charity (eg, does it have a reasonable level of reserves, diverse income sources, committed funders, a strong track record)?</p> <p>Does the charity have a rigorous approach to financial management?</p> <p>What would be the risks to me as a trustee—eg, in terms of reputation and financial liability? (See below for further details.)</p>

Trustee liability

Potential trustees also need to consider liability as, in rare cases, trustees may face personal liabilities if something goes wrong.

The Charity Commission is clear that ‘*a conscientious and committed trustee need have few worries about personal liability*’.¹ Generally speaking, if trustees act prudently, lawfully and in accordance with the governing document, then any liabilities (such as debts or financial obligations) that they incur as trustees can normally be met out of the charity's resources. However, the Commission states that if trustees incur liabilities or debts that amount to more than the value of the charity's assets, then they may face personal liability. If trustees act imprudently or are in breach of the law or their charity's governing document, they may also be

¹ Charity Commission (2008) CC3: *The Essential Trustee: What you need to know*. www.charitycommission.gov.uk/publications/cc3.aspx#11

personally and collectively responsible for liabilities incurred by the charity, or for making good any loss to the charity. The Charity Commission can take proceedings to court, but in cases where a breach of trust causes a loss to the charity, it can remove trustees' liabilities to pay if it feels that they have acted 'honestly and reasonably'.

To understand their potential liability, trustees should refer to the Charity Commission's publication *The Essential Trustee*, which is available on its website, along with other guidance on trustee liability.¹ A key point to remember is that potential liabilities are much lower for trustees of charities that are companies limited by guarantee, so this is a vital thing to check before taking on a trustee position.²

It is also worth noting that trustees have the option of taking out trustee indemnity insurance, which covers trustees against claims that may arise from their legitimate actions as trustees, as long as they have acted reasonably and honestly. People have mixed views on this, but it may be worthwhile if the potential liabilities are significant, for instance, if the charity employs a large number of staff or looks after vulnerable people.³

Other considerations

Finally, there are a couple of other key things for potential trustees to bear in mind:

- **The level of commitment that is required will vary from charity to charity.** It will depend on the size and maturity of the organisation and the charity's current situation. For example, a charity that is recruiting a new chief executive or reviewing its strategy and structure may require its trustees to play on a more hands-on role and make time for emergency meetings and phone calls in between board meetings. Similarly, a small charity with few or no staff may require trustees to get more involved in the operational detail than a larger charity.
- **In the current financial environment you should be careful to assess the charity's financial situation.** The economic downturn and public spending cuts are hitting many charities hard. Before taking on a new trustee position you should familiarise yourself with the charity's financial situation so that you understand the risks and challenges. If risks are high, that is not necessarily a reason not to become a trustee at that charity. But it will be important to check your liabilities very carefully, review whether trustee indemnity insurance would be appropriate, and see whether the board has a sound plan in place for addressing the risks.
- **Potential trustees should also be aware that trustees usually fulfil their duties on a voluntary basis.** Currently, charities cannot pay trustees for their services unless they have a suitable authority, either in the charity's governing document or from the Charity Commission or a court of law. Charities that have no prohibition in their constitution can pay trustees for the provision of services to the charity, subject to certain safeguards, but this does not extend to the payment of a trustee for the services of acting as a trustee or as an employee of the charity. There is some debate in the charity sector about whether payment of trustees should be allowed in more cases.⁴

¹ In general, trustee liability should not be a major concern. Other liabilities associated with a charity's work (such as public, employment-related and contractual liabilities) may be a greater risk than trustee liability relating to breach of trust or breach of duty, so this is something worth assessing when considering whether a charity is right for you.

² Charity Commission (2008) CC3: *The Essential Trustee*. www.charitycommission.gov.uk/publications/cc3.aspx#i1

³ Vernon, B. and Stringer, E. (2009) *Board matters: A review of charity trusteeship in the UK*. For further information, readers should refer to the Charity Commission's guidance on trustee indemnity insurance: www.charity-commission.gov.uk/library/guidance/csd1279.pdf

⁴ Charity Commission (2008) CC11: *Trustee expenses and payments*; Cabinet Office website 'Charities Act 2006 Review—Call for Evidence: The role of trustees': www.cabinetoffice.gov.uk/sites/default/files/resources/Call%20for%20evidence%20-%20trustees_P1-7.doc

Taking the plunge

Being a trustee can be an incredibly rewarding experience. It requires a significant commitment of time and energy, and you need to make sure that the charity is the right fit for you, and vice versa, before taking on a new role. However, in return you can get *'huge satisfaction in contributing to the local community or solving a social problem, plus you gain new experiences, meet new people, get new skills'*, as Alan Mak observes.

We hope this paper has stimulated your interest in trusteeship and highlighted why it is such an important and valuable form of volunteering. For those keen to read more, further information about the role of a trustee can be found in Appendix B.

Appendix A: Finding a trustee position

This appendix talks you through the different resources you can use to search for a trustee position.

Advertisements

The best starting point for someone looking for a trustee position for the first time may be to look on websites or in publications that advertise trustee vacancies. There are a range of free online resources that potential candidates can use, and the main ones are listed in Table 2 below. Some are national in scope, while others focus on a specific area or recruit trustees from particular backgrounds, such as accountants or lawyers.

Trustee vacancies may also be advertised in the same places as paid charity jobs, for example in the jobs sections of national newspapers like *The Times* or *The Guardian*, in sector publications such as *Third Sector* and *Civil Society*, and specific job search websites such as CharityJOB.

Table 2: Websites advertising trustee vacancies

Website	Details
NCVO Trustee Bank	The NCVO advertises trustee vacancies in charities and other civil society organisations across England and allows you to search by organisation, sector, location, role and date of advertisement. www.ncvo-vol.org.uk/trusteebank
Reach	Reach, the skilled volunteering charity, advertises a wide range of volunteering opportunities on its website and allows you to search specifically for trustee positions. www.reachskills.org.uk/available-opportunities
Trusteefinder	Trusteefinder offers a free search facility that allows you to search trustee vacancies across England filtered by geography and area of interest. It is run by Charity Trustee Networks (now part of the Small Charities Coalition) and builds on the services of Do-it.org (the volunteering website) and volunteer centres. www.trusteenet.org.uk/jobs-search
Volunteer centres and councils for voluntary services (CVSs)	Volunteer centres and CVSs provide support for local charities and other civil society organisations, and many offer help with advertising trustee vacancies. To find your nearest volunteer centre, go to www.volunteering.org.uk/iwanttovolunteer/where-do-i-start or to find your nearest CVS go to www.navca.org.uk/directory
Arts & Business	Arts & Business has an online search facility that allows you to search volunteering opportunities, including trustee positions, in arts organisations by area, art form, availability and type of role. http://artsandbusiness.org.uk/Central/volunteering/Volunteer-placement.aspx

CFG (Charity Finance Group)	CFG advertises finance-focused trustee positions on its online jobs board. http://jobs.cfdg.org.uk/jobs
CharityJOB	CharityJOB advertises a wide range of charity roles, including trustee positions, via its website. www.charityjob.co.uk
ICAEW (Institute of Chartered Accountants in England and Wales)	ICAEW is a professional accountancy body that provides leadership and practical support to 136,000 ACA qualified members worldwide. Members and non-members can search for trustee roles, including (but not exclusively) treasurer or finance-focused positions, through its online job portal. www.icaewjobs.com
Bar in the Community	Bar in the Community advertises trustee vacancies that are specifically looking for legal skills, and provides free email updates to lawyer volunteers. www.barprobono.org.uk/index.php?cID=234
The Big Give	The Big Give allows donors to search for any trustee vacancies currently being advertised by the 8,000 charities whose work it showcases. http://content.thebiggive.org.uk/about/opportunities/trustee/

There are a couple of things worth bearing in mind when searching through advertisements. First, is that it can be a time-consuming process and the advertising organisations do not tend to do due diligence on the charities they feature, so you will need to spend some time researching the charity yourself. And second, you should be aware that not all vacancies will be advertised; in an Institute for Philanthropy survey of 100 UK charity chairs and chief executives in 2010, only 20% of respondents reported outside advertising as their primary means of recruitment.¹

Matching services

The last few years have seen a growth in the range of organisations providing specialist services to match individuals with suitable trustee vacancies. These services tend to be low-cost and can help you to make a more targeted search to find vacancies that will be a good fit for you. However, as with advertised vacancies, you will need to be prepared to do some of your own due diligence on the charity before committing to join its board.

- **Getting on Board** works with employers, professional bodies and individuals to help them find suitable board-level volunteering opportunities. It provides a signposting service that helps individuals find the right trustee role. Candidates have a 30-minute phone consultation with Getting on Board and are then provided with at least four opportunities to consider, plus follow-up support. This service is often funded by individual training budgets offered by some employers.
<http://www.gettingonboard.org/individuals.php>
- **TrusteeWorks** is run by the skilled volunteering charity Reach in partnership with the specialist recruitment consultancy Prospectus, and aims to provide an 'end-to-end' service for trustees and boards. It currently offers a recruitment service that helps charities find trustees with the right skills and experience. Individuals can register their interest in trustee vacancies free of charge via the TrusteeWorks website, and specify their skills, interests,

¹ Malone, D. and Okwonga, M. (2010), *The State of UK Charity Boards*. Institute for Philanthropy

time commitment, location and experience. They will then be able to search Reach's online database and Reach will email information on roles in their area which might be of interest. <http://www.reachskills.org.uk/trusteeworks-registration-for-volunteers>

- **Trustees Unlimited** is pitched somewhere between these matching services and a commercial headhunter service. A joint venture between law firm Bates Wells & Braithwaite, the National Council for Voluntary Organisations (NCVO) and Russam GMS (a leading provider of interim managers to the charity sector), it aims to recruit high quality trustees and non-executives in a cost-effective way. Individuals can register their interest free of charge on the website and provide details of their professional background and areas of interest. Then, if a suitable vacancy comes up they will be contacted and asked whether they would like to apply. They may then be asked to attend a preliminary interview with a consultant from Trustees Unlimited before being introduced to the charity. <http://www.trustees-unlimited.co.uk/ncvo/>

A number of recruitment agencies and headhunters also have specialist teams that may do trustee recruitment. However, this is usually for larger charities as using this kind of service can be very expensive.

Other board-level volunteering opportunities

In addition to charities, there are other types of organisations that need volunteers to join their boards. For example, you could volunteer as a school governor or as a board member for a not-for-profit housing federation or NHS trust. The first ports of call for exploring these types of opportunities are:

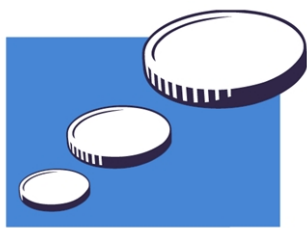
- **School Governors' One-Stop Shop (SGOSS)**, a charity that specialises in recruiting school governor volunteers across England and offers a free service for volunteers, schools, local authorities and employers. www.sgoss.org.uk
- **The National Housing Federation** runs a 'Get on board' scheme that matches individuals with suitable board vacancies within its membership of 1,200 independent, not-for-profit housing associations in England. www.joingetonboard.org.uk
- **The Appointments Commission** is responsible for public appointments throughout the health service and other government-sponsored bodies. However, subject to the passage of the Health and Social Care Bill that is currently progressing through Parliament, the Commission will close in October 2012. www.appointments.org.uk

Appendix B: Useful resources

This report is designed as a brief introduction to trusteeship. For further information about trusteeship and governance, readers may like to refer to the websites and publications listed below.

- The Charity Commission for England and Wales' website has a section for trustees and has produced introductory resources such as *The Essential Trustee: What you need to know*. www.charity-commission.gov.uk
- The Office of the Scottish Charity Regulator has produced *Guidance for Charity Trustees*. www.oscr.org.uk
- NPC has produced a range of publications on charity trusteeship, which are all available on its website. www.philanthropycapital.org
- The NCVO has an online Trustee and Governance Information Centre and also publishes *The Good Trustee Guide*. www.ncvo-vol.org.uk
- Governance expert Dorothy Dalton recently produced a new guide, *Good Governance: a practical guide for boards, chairs and CEOs*, which highlights key issues to consider and provides templates and real life examples and experiences. It can be purchased via the NCVO website. <http://www.ncvo-vol.org.uk/goodgovernance>
- Getting on Board provides information about board-level volunteering on its website. www.gettingonboard.org
- Reach offers introductory information on trusteeship on its website, including *Being a Trustee*. www.reachskills.org.uk/trusteeworks
- KnowHow NonProfit provides information about getting started in governance: www.knowhownonprofit.org
- The Trustees' Unlimited website provides information about becoming a trustee: <http://www.trustees-unlimited.co.uk/ncvo/wanttobeatruster.html>
- Trustees' Week website provides information about becoming a trustee and about the annual Trustees' Week events and campaigns. <http://trusteesweek.blogspot.com/>
- For more advanced reading about effective trusteeship, readers might like to refer to *Good Governance: A Code for the Voluntary and Community Sector*. http://www.charity-commission.gov.uk/Library/guidance/good_governance_full.pdf

Please note that this list represents a selection of resources that NPC has found useful rather than a comprehensive catalogue of trusteeship resources.



New Philanthropy Capital

New Philanthropy Capital (NPC) is a charity think tank and consultancy dedicated to helping funders and charities to achieve a greater impact.

We provide independent research, tools and advice for funders and charities, and shape the debate about what makes charities effective.

We have an ambitious vision: to create a world in which charities and their funders are as effective as possible in improving people's lives and creating lasting change for the better.

For **charities**, this means focusing on activities that achieve a real difference, using evidence of results to improve performance, making good use of resources, and being ambitious to solve problems. This requires high-quality leadership and staff, and good financial management.

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