



## **ESSENTIAL RESPONSIBILITIES OF THE BOARD (September 2011)**

### **INTRODUCTION**

This sheet sets out the 12 essential collective responsibilities of a Board of Trustees adapted from those proposed by the NCVO in “Developing Trustee Boards”. The ‘Board’ is the formal group of the trustees and its meetings may be called a management committee, executive committee, etc. Even if you are not a registered charity most of these responsibilities will also be relevant to those who regularly meet to decide the running of the organisation.

### **ESSENTIAL RESPONSIBILITIES**

#### **1. Determine the organisation’s mission and vision.**

The Board is responsible for establishing the overall vision and mission of the Charity that supports the **charitable objects**. These should be clear and concise and every board member should understand and support them. Know what you want to do and why you think it is important. The Board should periodically review these aims and objectives and revise them if necessary.

#### **2. Engage in strategic planning**

The Board of the Charity establishes the organisation’s direction and major goals and should engage in a formal planning process at least once every three years, i.e. planning **how** to get to where you want to be. Changes in the environment or new challenges may require changes in the vision, mission or the way in which the organisation does its work.

#### **3. Formulate needed policies**

The Board of the Charity exercises leadership through establishing written policies to govern the way the Charity is run. The Board is required to create a comprehensive set of policies to protect the organisation, provide practical guidance for staff and volunteers and establish an ethical framework as a basis for organisational activity.

#### **4. Approve and monitor the organisation’s programmes and services**

The Board is responsible for deciding which programmes and services best support the **charitable objects**, aims and objectives of the Charity. It is also responsible for ensuring that the organisation complies with company and charity law and for monitoring and evaluating the programmes and services which the organisation provides.

## **5. Ensure adequate financial resources**

The Board ensures that the organisation has the resources to carry out its objectives. Its work in this area involves creating and monitoring policies governing financial reserves and income generation and in ensuring that these policies are carried out.

## **6. Provide effective financial oversight and risk management**

The Board is responsible for preserving the resources and assets of the Charity and for the management of its liabilities. It is required to establish budget guidelines, approve an annual operating budget and then monitor performance against that budget throughout the year. It is responsible for all decisions relating to borrowing and loans to or from the organisation.

The Board also complies with regulations governing the audit of accounts to verify that the organisation is accurately reporting the sources and uses of its funds. It also ensures that organisational funds are responsibly invested to ensure the organisation's future.

## **7. Select and support the lead employee/Chief Executive and review his or her performance**

The Board will support the lead employee/Chief Executive by working in partnership with her or him, providing constructive feedback, conducting regular evaluation and offering development opportunities.

The Board is responsible for the selection of the lead employee/Chief Executive and, when necessary, it will draft a clear job description that outlines the duties of the post holder and undertake a carefully planned search and recruitment process.

## **8. Understand and respect the relationship between the Board and the staff and volunteers of the Charity.**

In order to serve the organisation well, the Board must have a clear understanding of the differences between its role and those of the staff and volunteers. The respective roles and responsibilities are clearly defined in recommendations agreed by the board.

The primary board/staff relationship is that between the Board and the lead employee/Chief Executive and the quality of that relationship is of the utmost importance.

## **9. Act as a responsible employer.**

The Board is ultimately responsible for the way that the Charity treats staff, volunteers, partners and others who work on its behalf. The Board establishes carefully thought-out human resources policies that provide a sound framework for employing and working with people in all areas of the organisation's activity.

## 10. Enhance the public reputation of the Charity

The Board should require and enable the development of a marketing and communications strategy for the organisation.

Board members are expected to contribute a great deal individually and collectively toward developing public awareness of the Charity and strengthening its reputation among all stakeholder groups. Trustees should be ambassadors of the Charity.

## 11. Carefully select and induct new members

The Board is required to develop and carry out a well conceived plan to identify and recruit good new trustees and to ensure sound succession planning for its honorary officers and for the board as a whole. The Charity strives to achieve a balance in the Board between continuity and fresh thinking and seeks to have a Board that is made up of individuals who can contribute critically needed skills, experience, perspective, wisdom, time and other resources to the organisation. It aspires to have a diverse membership drawn from across the communities and individuals that the organisation serves.

The Board should offer an appropriate induction programme to introduce new board members to the organisation and to their responsibilities as a director (if appropriate) and trustee. It should also ensure that appropriate development activities are scheduled and resourced to meet needs of trustees.

## 12. Carry out Board business efficiently

The Board of the Charity carries out much of its activity in meetings and will work with meeting agendas that focus on strategic issues, allow for discussion and lead to action. To make meetings effective, participants will review agendas, board papers and relevant information in sufficient time to ensure proper consideration of the issues.

## SOURCES/FURTHER INFORMATION

1. BCVS can give individual support and advice on good governance and responsibilities of Boards
2. Hallmarks of an Effective Charity ([www.charitycommission.gov.uk/Publications/cc10.aspx](http://www.charitycommission.gov.uk/Publications/cc10.aspx))
3. Good Governance : A Code for the Voluntary and Community Sector (also other materials downloadable from: [www.ncvo-vol.org.uk/governance-leadership-resources-publications](http://www.ncvo-vol.org.uk/governance-leadership-resources-publications))

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Registered charity No. 1081381