

## The role of a Trustee within the MND Association

### Introduction

These introductory notes have been written to provide an initial understanding of the role of a Trustee for people who are thinking of standing for election, or who have recently been elected or co-opted to the Association's Board of Trustees.

### What is a Trustee?

In a nutshell, our Trustees have ultimate responsibility for directing the affairs of the Association, ensuring that it is solvent, well run, that it complies with current legislation, and that it delivers its charitable outcomes for the benefit of those people for whom it exists.

As well as being a registered charity, the Association is a company limited by guarantee. This means that Trustees are also appointed as statutory directors, and as such they oversee the management of the Association's business, make the strategic decisions of the company and are responsible for ensuring that the company meets its statutory obligations. The Companies Act 2006 imposes certain fundamental general duties on directors of UK limited companies and a link to the relevant section of the Act can be found at the end of this document.

In line with the requirements of the Charities Act, the Association's governing document (the Articles of Association) states the Association's objects, indicating how they satisfy the Charity Commission's general guidance on public benefit as being:

- *the relief of persons who are, or who are suspected of being, affected by Motor Neurone Disease and its associated conditions ('the beneficiaries') by seeking to ensure that such persons and their families and carers receive such help and assistance as is calculated to relieve their need; and*
- *to commission, undertake, promote, monitor and manage research into all aspects of Motor Neurone Disease and its associated conditions and causes and work towards their prevention and cure and to publish and disseminate the useful results for the benefit of the public.*

It is essential to recognise that the role of the Board and of individual Trustees is to act in the collective interest of the Association as a whole. All Trustees contribute their individual experience and expertise to Board discussions and decisions, but they do not sit on the Board as representatives of local Branches or Groups or to promote or defend local issues, although local experience may reasonably inform

their views. Trustees have a duty to act collectively, which means that they are collectively responsible for decisions made by the Board. Individual Trustees may therefore need occasionally to put to one side any personal views about a particular issue and once the debate has been had, to support the decision that has been made.

Before outlining the role of Trustees within the Association, it is important to highlight their responsibilities in relation to governance in general, which is a critically important aspect of the role of a Trustee of any organisation, not just the Association.

Governance can be defined as *'the systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation'*. The Charity Governance Code was updated in 2017, with seven principles aimed at encouraging higher standards of governance and leadership.

The principles build on the assumption that the legal and regulatory requirements are already being met and that Trustees are committed to good governance and want to contribute to the continued improvement of the Association. The Code is used on an ongoing basis and regularly revisited by the Association's Board of Trustees to support continuous improvement. A link to the Code is provided at the end of this document.

The seven principles are as follows:

**1. Organisational purpose:** The Board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.

**2. Leadership:** The charity is led by an effective Board that provides strategic leadership in line with the charity's aims and values.

**3. Integrity:** The Board acts with integrity. It adopts values, applies ethical principles to decisions and creates a welcoming and supportive culture which helps achieve the charity's purposes. The Board is aware of the significance of the public's confidence and trust in charities. It reflects the charity's ethics and values in everything it does. Trustees undertake their duties with this in mind.

**4. Decision-making, risk and control:** The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.

**5. Board effectiveness:** The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

**6. Diversity, equity and inclusion:** The board has a clear, agreed and effective approach to supporting diversity, equity and inclusion throughout the organisation and in its own practice. This approach supports good governance and the delivery of the organisation's charitable purposes.

**7. Openness and accountability:** The Board leads the Association in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

### **How many Trustees do we have and for how long do they serve?**

Under the provisions of the Articles of Association the Association can have a Board comprising a maximum of nine elected and six co-opted Trustees, plus the Chair, making sixteen in total.

Elected Trustees are chosen by a ballot open to all Members of the Association, and they take up office immediately after the Annual General Meeting at which their election is announced. Co-opted Trustees are invited by the Board to join to bring particular skills or experience lacking among the elected Trustees but judged to be necessary to ensure the effective functioning of the Board.

Elected Trustees serve a term of three years, after which they can stand for re-election for a further three years. If they wish to stand again they must stand down for a period of one year.

Co-opted Trustees serve two-year terms and can serve a total of six years, which can be but do not have to be continuous, with the Board considering their reappointment at the end of their first and second terms. There is a provision in the Articles of Association that in exceptional circumstances a co-opted Trustee can be invited to serve one additional term of two years beyond the period of six years.

### **How do Trustees relate to the Association's Senior Management Team?**

Attendees at Board meetings are the Trustees together with the Chief Executive and members of the Senior Management Team, of whom there are six. In addition to the Board, there are four Board Committees and two Advisory Panels. Trustee membership of Committees is through a process of self-nomination, and is subject to a minimum and maximum number of Trustees as set out in the various Terms of Reference, the maximum number being flexible at the discretion of each Committee Chair. Senior Management attendance at Committee meetings is in line with their functional responsibilities. There is also a Remuneration Committee which meets once per year. There are further notes on the various Committees later in this document.

### **What does the Board do?**

The Board of Trustees determines the long-term aims and strategy of the Association and maintains oversight of its performance against those aims, supporting and where necessary challenging the Chief Executive and Senior Management Team on performance.

What Trustees do not do is to get involved in operational day-to-day activities or decision-making – that is delegated to and is the responsibility of the Chief Executive and Senior Management plus their teams.

Getting a little more specific with a few examples:

- The Board will, on a 3-5 year cycle, debate and agree the strategic goals of the Association as proposed by the Chief Executive and Senior Management Team. There will have been Trustee involvement in groups working on elements of the strategy, but it is the Board that gives it final approval.
- On an annual basis the Board will agree the Association's budget. As with the strategy, the preparatory work will involve Trustees who are members of the Finance & Audit Committee, but again it is the Board that gives it final approval.
- The Board will debate and decide on proposals put forward from the various Committees. These might relate to the way in which decisions are made and the Association is governed, which would come from the Governance Committee, to expenditure associated with funding the Association's Care Centres, which would come from the Care Committee, or to investment in research, which would come from the Biomedical Research Advisory Panel or the Healthcare Research Advisory Panel. In all of these instances the relevant Committee or Panel will have previously considered the proposals in depth prior to putting their recommendation to the Board.
- At each Board meeting the Chief Executive presents a report setting out the Association's performance against a number of Key Performance Indicators. These are both strategic and operational and are discussed by the Board, and any implications for action are identified. The report also contains the overall Risk Register, which is also subject to review and discussion.
- In addition to the Chief Executive's report there will be, for consideration, summary reports from each member of the Senior Management Team, setting out key achievements since the last meeting, issues that have arisen and actions taken or planned in response, and a summary of key activities scheduled over the next months. There will also typically be a presentation on a topic of current interest, which might be delivered by a member of the Senior Management Team or by an external expert.

In advance of Board meetings, Trustees receive papers that are structured into the three areas of the agenda – for decision, for discussion, and for information. It is, of course, expected that Trustees will have read and considered the papers in advance of the meeting and that except in extenuating situations they give best endeavours to attend all meetings.

### **What Committees are there and what do they do?**

There are four Board Committees: Governance, Finance & Audit, Care, and Engagement, and two Advisory Panels, Biomedical Research (BRAP) and

Healthcare Research (HRAP). Each has Terms of Reference, setting out its key tasks and membership, but in outline:

- **Governance** is concerned with the functioning of the Board, election, co-option and training of Trustees, and monitoring the effectiveness of the Committees.
- **Finance & Audit** is concerned with ensuring compliance with financial guidelines and legislation, overseeing preparation of the annual Financial Statements, reviewing annual budgets, monthly management accounts and periodic forecasts, the Association's investment and reserves policies, and external and internal audit strategy and reports.
- **Care** is concerned with monitoring progress against the Association's care strategy, assessing grant applications submitted by Care Centres, maintaining oversight of the impact of strategic issues within Health and Social Care provision, and proposing potential areas of healthcare research for consideration by HRAP.
- **Engagement** is concerned with the methods of recruitment of volunteers and with methods best to ensure their ongoing engagement and effectiveness in supporting the Association's strategic priorities.
- **BRAP** is concerned with assessing biomedical research proposals, identifying those most appropriate for financial support from the Association and making recommendations on the allocation of available research funds.
- **HRAP** is concerned with assessing proposals on clinical, health and social care research, identifying those most appropriate for financial support from the Association and making recommendations on the allocation of available research funds.

Senior Management attendance at Committee meetings is in line with their functional responsibilities, in addition to which the Chief Executive attends the Governance, Finance & Audit, Care and Engagement Committees.

There is in addition a Remuneration Committee which is responsible for maintaining oversight of the Senior Management Team's remuneration and for recommending to the Board that of the Chief Executive. Committee members are the Honorary Officers (see next section).

### **Committee Chairs and which Committee to join?**

Governance Committee is chaired by the Chair of Trustees. Other Committee Chairs are established by a process of self-nomination, with secret ballots being carried out should there be more than one nomination for any position. Once confirmed, the Honorary Treasurer and the Chairs of Care and Engagement are appointed as Honorary Officers. There is a similar self-nomination process for the position of Vice-Chair, who is also appointed as an Honorary Officer. All Honorary Officer positions have a tenure of two years subject to their continuing to be a Trustee.

Trustees are at liberty to nominate themselves for membership of any Committees in which they have an interest and it is expected that Trustees will choose to be a member of at least one Committee or Panel. Aside from individual interest, the skills set present in the various Committees is clearly important, and Trustees are encouraged to base their choice of Committees to make best use of their skills and of their previous or current working experience.

By way of guidelines, the Finance & Audit Committee requires a professionally qualified CCAB Accountant, Care requires a Doctor of Medicine, ideally with experience of MND, Governance requires experience of corporate governance, and Engagement requires at least one person with experience of local volunteering within the Association. BRAP needs experience of governance as the role of Trustees on this Committee is about ensuring linkage to the strategy and following agreed governance processes. HRAP needs direct experience of MND, which could be either as a health care professional, a person living with the disease or a person with experience of caring for someone living with the disease.

As with Board meetings, there are papers to be read and considered in advance of each meeting, and given travel time, usually to Northampton for Governance, Care and Engagement, to London for BRAP, and to London or Northampton for Finance & Audit, each meeting will itself take, in effect, the best part of a day.

The full Board meets four times per year, each meeting taking a full 24 hours, usually spread over an afternoon, with dinner and an overnight stay, continuing the following morning and concluding with lunch. There is also a brief meeting late afternoon on the day immediately before the Annual General Meeting.

Since the beginning of the Covid pandemic, all Board and Committee meetings, as well as the Annual General Meeting, have been held as virtual meetings, using MS Teams. This approach will continue to be open to review and possibly change as the situation develops.

The Governance and Engagement Committees meet three times per year, Care four times, Finance & Audit five times, and BRAP twice. HRAP does not have formal meetings, but operates by means of email, chatroom and teleconferencing.

Trustees are also welcome to attend at any time meetings of any Committee of which they are not a member, but this is on the basis of being an observer rather than an active participant.

In addition to membership of Committees, Trustees are encouraged to attend Regional events, of which there are a number over the course of the year, and may be offered the opportunity of attending other events from time to time as representatives of the Association.

### **What training is provided?**

A comprehensive induction day is provided covering two main areas - the role and responsibilities of trustees, and an introduction to the work of the Association and to

the Senior Management Team. There are also e-learning modules to be undertaken, including one on data protection. All trustees are strongly encouraged to attend an external course on governance, which is a key aspect of the Board's work. Internal training events are provided as part of Board business, with all Trustees expected to take part. Information about other external training events is regularly made available, and Trustees are encouraged to attend events in order to complement their skills and experience. All associated costs of attendance, travel, etc. are covered by the Association.

## **The buddy system**

These notes have aimed to provide an understanding of the role of a Trustee. If you are reading it as a recently elected or co-opted Trustee you will have been offered a 'buddy' from among the longer serving Trustees. It is completely your choice as to whether or to what extent you make use of this relationship, but your 'buddy' or indeed any other member of the Board will always be happy to try to answer any of your questions or concerns.

## **Footnotes:**

A more detailed coverage of Trustees' responsibilities can be found in 'The essential Trustee – what you need to know', published by The Charity Commission and available for download from their website:

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

'The Charity Governance Code', published by the Good Governance Steering Group is available from:

<http://www.charitygovernancecode.org/>

The Charities Act can be found at:

<https://www.legislation.gov.uk/ukpga/2011/25/contents>

Directors' duties in the United Kingdom can be found in the Companies Act 2006:

<https://www.legislation.gov.uk/ukpga/2006/46/part/10/chapter/2/crossheading/the-general-duties>