

## Appendix 3 - CHARITY COMMISSION GUIDANCE - CHARITY TRUSTEE DUTIES AND RESPONSIBILITIES

[A] Charity trustee: what's involved - <https://www.gov.uk/charity-trustee-whats-involved>

### **Legal responsibilities of trustees - trustees must:**

- follow the law and the rules in the charity's governing document
- act responsibly and only in the interests of the charity
- use reasonable care and skill
- make well-informed decisions, taking advice when they need to

[B] It's your decision: charity trustees and decision making - [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/349937/Its\\_your\\_decision.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/349937/Its_your_decision.pdf)

Trustees must:

- act within their powers
- act in good faith and only in the interests of the charity
- make sure they are sufficiently informed
- take account of all relevant factors
- ignore any irrelevant factors
- manage conflicts of interest
- make decisions that are within the range of decisions that a reasonable trustee body could make.

[C] The Essential Trustee - [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/298865/cc3text.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298865/cc3text.pdf)

Trustees and their responsibilities

Charity trustees are the people who serve on the governing body of a charity. They may be known as trustees, directors, board members, governors or committee members. The principles and main duties are the same in all cases.

(1) Trustees have and must accept ultimate responsibility for directing the affairs of a charity, and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up.

Compliance – Trustees must:

(2) Ensure that the charity complies with charity law, and with the requirements of the Charity Commission as regulator; in particular ensure that the charity prepares reports on what it has achieved and Annual Returns and accounts as required by law.

(3) Ensure that the charity does not breach any of the requirements or rules set out in its governing document and that it remains true to the charitable purpose and objects set out there.

(4) Comply with the requirements of other legislation and other regulators (if any) which govern the activities of the charity.

(5) Act with integrity, and avoid any personal conflicts of interest or misuse of charity funds or assets.

Duty of prudence – Trustees must:

(6) Ensure that the charity is and will remain solvent.

(7) Use charitable funds and assets reasonably, and only in furtherance of the charity's objects.

(8) Avoid undertaking activities that might place the charity's endowment, funds, assets or reputation at undue risk.

(9) Take special care when investing the funds of the charity, or borrowing funds for the charity to use.

Duty of care – Trustees must:

(10) Use reasonable care and skill in their work as trustees, using their personal skills and experience as needed to ensure that the charity is well-run and efficient.

(11) Consider getting external professional advice on all matters where there may be material risk to the charity, or where the trustees may be in breach of their duties.

*Extracts – 25 November 2014*