

## **Unit 1- Safeguard and promote the values and mission of the voluntary or community organisation**

This unit is about the *Board of Trustees* setting out the voluntary or community organisation's long-term direction, upholding its *values* and delivery of its *aims*, and your role as a *Trustee* in carrying out this function.

### **When safeguarding and promoting the values and mission of the organisation, as Trustees you are responsible for:**

1. ensuring that you are clear about why the organisation exists, what it stands for, and that you promote the *values*, *aims* and *ethos* so that it accomplishes its *mission*
2. setting the strategic direction of the organisation
3. acting in a manner consistent with the *values* and *mission* of the organisation
4. ensuring that the organisation's *values* and *mission* are clearly stated and can be understood and recognised by *beneficiaries* and by *stakeholders*
5. regularly reviewing the *values* and *mission* of the organisation to ensure that :
  - a. they continue to remain valid and relevant, and
  - b. they take account of changes external to the organisation eg. legal, political and economic
  - c. the *Governing documents* reflect this
6. ensuring compliance with the organisation's *objects*, and upholding the *values* of the organisation and its *Governing documents*
7. ensuring decisions relating to these responsibilities are made in *the best interests* of the organisation and its *beneficiaries*
8. ensuring that the organisation is not unduly influenced by external organisations or individuals

### **In order to be able to carry out these responsibilities fully, as Trustees you need to know and understand:**

- a. the *objects* of the organisation, what the organisation stands for, its history and experience, and how it operates
- b. who the *beneficiaries* and *stakeholders* are, their needs, and how to avoid any *conflicts of interest*
- c. what a *conflict of interest* means in practice and that a *Trustee's* only responsibility is to the organisation
- d. the environment in which the organisation operates, and how other similar organisations operate
- e. current legislation and regulations relevant to the organisation and *Trustees*

**In order to safeguard and promote the values and mission of the organisation as Trustees you need to have read, where applicable:**

- i. your organisations *Strategic plans*
- ii. your organisations *Business plans*
- iii. *Governing Documents*

**Relevant to all units**

**In order to carry out your responsibilities, as Trustees you should draw on the following qualities:**

- be committed to the purpose, *objects* and *values* of the organisation
- be constructive about other *Trustees'* opinions in discussions, and in response to staff members' contributions at meetings
- be able to act reasonably and responsibly when undertaking such duties and performing tasks
- be able to maintain confidentiality on sensitive and confidential information
- be supportive of the *values* (and ethics) of the organisation
- understand the importance and purpose of meetings, and be committed to preparing for them adequately and attending them regularly
- be able to analyse information and, when necessary, challenge constructively
- be able to make collective decisions and stand by them
- be able to respect boundaries between executive and *governance* functions

**You need to have access to, have read and understood, or sought clarification if necessary about:**

- the organisation's *Governing Documents*
- *policies* relevant to the functioning of the *Board*
- *policies* relating to diversity and inclusion
- relevant written operational *policies* and *procedures*
- role descriptions and person specifications for *Trustees*, *Board* and Officers
- the documentation of the Charity Commission, Office of the Scottish Charity Regulator and the Inland Revenue, where relevant

**Key Words and Phrases used in this Unit**

• **Activities**

Anything done using *resources* belonging to the organisation, or under its control and including all of its work and services.

• **Aims**

Long-term targets for the future that the organisation would work towards achieving.

• **Beneficiaries**

Those who benefit, and/or receive services, from the organisation.

- **Best interests of the organisation**

This is a legal duty placed on the *trustees* of an organisation always to act in the best interests of that organisation and in doing so to strike a balance between the interests of both present and future *beneficiaries*. Imprudently spending the financial reserves of an organisation on today's *beneficiaries* might endanger its ability to serve future *beneficiaries*. On the other hand, setting aside excessive financial reserves may reduce an organisation's ability to deliver benefits now.

- **Board**

This is the organisation's governing body. This may be called the management committee, executive committee or board of directors, or may be referred to by some other title.

The *trustee* board of a charity is the group 'responsible under the charity's *governing documents* for controlling the management and administration of the charity, regardless of what they are called' (Section 97 of the Charities Act 1993).

- **Business Plan**

A document prepared by an organisation's management, detailing the past, present, and future of the company. It generally projects future opportunities for the organisation and maps the financial, operations, marketing and organisational strategies that will enable the organisation to achieve its goals.

- **Conflict of Interest**

This situation may be actual or perceived. It applies to an individual in a position of trust, which requires them to exercise judgment on behalf of others. A conflict arises where the individual's other interests or obligations make it impossible for them to act judiciously for either party.

A conflict of interest is any situation in which a *trustee's* personal interests, or interests, which they owe to another body, and those of the organisation, arise simultaneously or appear to clash.

- **Ethos**

The distinguishing *values*, beliefs and character of an organisation. The ethos of an organisation may determine the way it treats its staff and/or volunteers, *beneficiaries*, customers, environment and legal responsibilities.

- **Governance**

The systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation.

- **Governing Documents**

Any document setting out the organisation's purposes and, usually, how it is to be administered. It may be a trust deed, constitution, memorandum and articles of association, will, conveyance, Royal Charter, Scheme of the Commissioners, or other such formal documents.

- **Mission**

This is a specific purpose, which contributes to the organisation's *vision*.

- **Objects**

The objects of a voluntary or community organisation are usually contained within its *governing documents*. They are a legal statement of the purpose of the organisation. If they are wholly and exclusively charitable in law, then the organisation is a charity and subject to charity law and the charity regulator. It is the objects and *activities*, which make an organisation a charity, not registration with the Charity Commission or other regulator.

- **Policies**

Policies are of two types. The first are statements of good practice and *procedure*, which determine the conduct of the organisation, its volunteers and (where relevant) staff, and provide remedies for breaches of that conduct. These often form part of the operational handbook, which can be referred to in the contract, where this is relevant. Examples are: equal opportunities, a disciplinary code, and they often have legal force. Other policies deal with more general issues and are advisory. Examples include financial *procedures*, recruitment and selection.

- **Procedures**

Procedures are an approved standard way of how to do something. They are invariably in writing because otherwise they will not be approved or standard, but will be soon forgotten and re-invented regularly. Procedures are a useful means of helping maintain quality in an organisation's *activities*. They can be used for such areas of activity as *governance*, as well as in the delivery of services to *beneficiaries*. The writing and regular updating of procedures can consume a disproportionate amount of time in smaller organisations and the likely benefits should always be weighed against the cost.

- **Resources**

The total means available to an organisation for increasing productivity, including labour, and raw material.

- **Stakeholder**

This can mean anyone with a significant legitimate interest in the good management of an organisation. This would include funders, *trustees*, volunteers, staff, suppliers, customers (also known as purchasers) and *beneficiaries* who all clearly have an interest in the proper running of an organisation.

More narrowly, and in its original meaning, stakeholders are those who have invested in an enterprise. In a voluntary and community organisation this would mean the funders and the volunteers (who invest their time) and might be thought to include the staff who invest their careers into an organisation.

The concept of stakeholder should not be confused with the persons to whom the *board of trustees* hold themselves accountable. This party can sometimes be difficult to identify in trusts, although in membership organisations where the members elect the *Board* it is almost invariably the members to whom the *Board* is accountable.

- **Strategy**

A broad course of action with an identifiable outcome. This is achieved through a sequence of steps, which are subject to monitoring and modification, to accomplish desired goals and objectives.

This should incorporate the organisations *vision*, *mission* and *values* statement, where appropriate. (NB. A '*Strategic Plan*' is therefore a timetabled account of the strategy)

- **Trustee**

A person who has legal authority to take control of and manage another's finance and property; this authority must always be exercised to the full advantage of the *beneficiary*. In most legal trusts the Trustee holds legal title to the trust property, is a representative of the Trust, and has the capacity to sue and be sued on behalf of the Trust.

A Trustee may also be known as a managing trustee, committee member, governor or director.

- **Values**

A set of principles, which the organisation seeks to apply, both in setting its *mission* and *aims*, and in its day-to day operations.

- **Vision**

This is the ideal towards which the organisation is working.