

The Kent Downs Trust: Terms of Reference for Trustees

These Terms of Reference have been adopted at the inaugural meeting of the Trustee Board of the Kent Downs Trust (KDT) held on 30 November 2018

The Terms of Reference, which supplement the Constitution of the Kent Downs Trust, are intended to guide the work of the trustees. In the event of conflict between these two documents, the Constitution takes precedence. These Terms of Reference are split into six headings as follows:

- A. Trustee responsibilities
- B. Main duties
- C. Structure of the Board
- D. Governance procedures
- E. Trustee expenses
- F. Trustee induction and training
- An appendix provides Model role descriptions for officers

A. Trustee Responsibilities

Kent Downs Trust's Trustee Board takes its authority and its responsibilities from two sources:

- Under the Charities Act 1993 the trustees of a charity are *"the people responsible under the charity's governing document for controlling the management and administration of the charity, regardless of what they are called"*. Charity law lays a number of specific duties on all charity trustees, which are reflected in these terms of reference. In essence these are:
 - A duty of compliance with the charity's objects, its governing documents and all relevant legislation and regulation.
 - A duty of care, to ensure that the charity is well run and efficient and that professional advice is sought in order to manage risk.
 - A duty of prudence in respect of managing the charity's assets.
- Kent Downs Trust's Constitution sets out who may become a trustee of Kent Downs Trust, how trustees are appointed and their powers.

In summary, trustees are expected to discharge the following responsibilities:

- To act collectively and effectively to give strategic direction to the work of the Kent Downs Trust, ensuring that the Trust complies with its Constitution, relevant laws and the obligations and memoranda it enters into with its funders and other bodies;
- To help deliver the purposes of the Kent Downs AONB designation and the objectives of the AONB Management Plan, and to do nothing which might bring the designation, Partnership or Management Plan into disrepute;
- To ensure that the Trust has adequate financial resources to undertake its activities and protect its assets;
- To review the risks to which the Trust is subject, take action to mitigate these risks and to ensure sound risk management; and
- To seek assistance from experts in areas where the Trustees lack the necessary skills, and in particular, to work with the Kent Downs AONB Partnership and Unit.

B. Main Duties

The main duties of Trustees fall under four headings: Strategic Direction; Compliance; Prudent management of assets; and Good governance.

1. Strategic direction

Ensure that the Kent Downs Trust has a clear vision, mission and strategic direction, all of which should deliver its charitable purposes, support the purposes of the AONB designation and help deliver the AONB Management Plan. The following are activities which should help Trustees deliver these objectives.

- a) Develop and review on a regular basis the vision, mission and set of values and strategy of the Kent Downs Trust, and ensure that there is a common understanding of these by trustees, staff and volunteers.
- b) Develop a fundraising strategy to support the vision, mission and strategy, and prepare operational plans and budgets.
- c) Seek and consider the views of Trust beneficiaries, and regularly review whether new beneficiaries could be supported.
- d) Regularly review the external environment for changes that might affect Kent Downs Trust (environmental, social, economic, political).

2. Compliance

Ensure that Kent Downs Trust complies with all legal and regulatory requirements:

- a) To ensure, with professional advice as appropriate, that Kent Downs Trust complies with all constitutional, legal, regulatory and statutory requirements.
- b) To understand and comply with the constitution and rules that govern Kent Downs Trust, and to review the constitution regularly (at least every five years) to ensure it is fit for purpose.

3. Prudent management of assets

To be stewards of Kent Downs Trust's assets, both tangible and intangible, taking care over their security, and how they are used:

- a) To ensure that Kent Downs Trust's financial obligations are met and that there are adequate financial controls in place to ensure all money due is received and properly applied, and that all assets and liabilities are recorded.
- b) To ensure that trustees take professional advice when needed, and record the advice received.
- c) To ensure that there is an effective fundraising strategy in place.
- d) To be accountable for the solvency of Kent Downs Trust.
- e) To ensure that intangible assets such as organisational knowledge and expertise, intellectual property, Kent Downs Trust's brand, good name and reputation are recognized, used and safeguarded.
- f) To review the condition and use of any properties and land owned by Kent Downs Trust.
- g) To ensure that the major risks to Kent Downs Trust are regularly identified and reviewed and that systems are in place to mitigate or minimise these risks.

4. Good governance

Ensure that Kent Downs Trust's governance is of the highest possible standard:

- a) To ensure that Kent Downs Trust has a governance structure that is appropriate to a charity of its size/complexity, stage of development, and its charitable objects, and reflects the diversity of its users
- b) To ensure that Board decisions are recorded in writing by means of minutes
- c) To ensure that the Board's delegated authority is recorded by terms of reference for board committees, job descriptions for honorary officers, trustees and any staff, and that reporting procedures back to the Board are recorded in writing and complied with
- d) To ensure the Board regularly reviews Kent Downs Trust's governance structure and its own performance.
- e) To ensure that major decisions and policies are made by the trustees acting collectively
- f) To ensure that the Board has on it the skills it requires to govern Kent Downs Trust well, and that the Board has access to, and considers, relevant external professional advice and expertise
- g) To ensure that there is a systematic, open and fair procedure for recruitment of new trustees and any staff
- h) To ensure that all members of the Board receive appropriate induction on their appointment and that they continue to receive appropriate advice, information and training (both individual and collective)

C. Structure of the Board

As specified in Clause 9(3) of the Constitution, there shall be a minimum of four and a maximum of eleven trustees, with trustees being of three types: trustees appointed by the Trust Board, trustees nominated by the Kent Downs AONB Partnership and the ex-officio AONB Director.

Each trustee must have:

- A strong commitment to the purposes of the Trust and the time requirement for trusteeship
- Integrity, sound independent judgement and a willingness to speak their mind
- Strategic vision and the ability to think creatively
- An understanding and acceptance of the legal duties, responsibilities and liabilities of trusteeship
- An ability to work effectively as a member of a team and to take decisions for the good of the Trust
- A commitment to inspire participation in the Trust by people and organisations that support its charitable purposes

The board of trustees collectively needs skills and experience in the following areas:

- Public policy, particularly in relation to the environment and protected landscapes
- National and local voluntary sector and the management of volunteers
- National and local government, statutory bodies and collaborative partnerships
- Financial management, income generation and enterprise
- External funding bids
- Human resource management (If/when the Trust employs staff)
- The needs of business, in particular of farming and forestry
- Public engagement and promotion of the Trust's work

D. Governance procedures

These complement the processes described in the Constitution.

1. Election of the Chair

- a) The Chair will be elected by the Trustees from amongst their number and will serve for a term of 2 years. Further terms may be served upon re-appointment, subject to a limit of three consecutive terms (i.e. six years), after which there must be a break of at least one term before re-appointment.
- b) The role and responsibilities of the chair are described in an Appendix to this document.

2. Board meetings and decision making

Clause 13 to 19 and 24 of the Trust's Constitution specify a number of requirements for trustee meetings and decision making, including how notice is given, the quorum for meetings and delegation to committees. In addition:

- a) Meetings are to be held as often as Trustee Board business requires but a minimum of four times a year
- b) The date and time of meetings should be arranged to suit most Trustees, but ensuring that no one member is continually prevented from attending meetings
- c) Trustees may invite people with expertise to advise the Board to all or part of a meeting and must give five days' notice (by email or post) to other Trustees that they have made the invitation
- d) All decisions by the Board are deemed to be taken by all the trustees, acting collectively and as a team. Decisions need not be unanimous; a majority decision is sufficient (except under the circumstances described in Clause 18 of the Trust's Constitution) but the Board is encouraged to seek consensus wherever possible.
- e) No decision shall be taken at a meeting unless a quorum is present at the time when the decision is taken. The quorum is three charity trustees, or the number nearest to one third of the total number of charity trustees, whichever is greater, or such larger number as the charity trustees may decide from time to time. A charity trustee shall not be counted in the quorum present when any decision is made about a matter upon which he or she is not entitled to vote.

E. Trustee expenses

- a) Clauses 5 and 6 of the Trust's Constitution cover the payments that may be made to trustees. They allow the Trust to reimburse trustees for reasonable expenses incurred in carrying out their duties (5(1a)) but do not allow trustees to receive payment for acting as a trustee.
- b) Clause 6 provides scope for the Trust to make other payments to a minority of trustees (such as to compensate them for loss of earnings or for the provision of services to the trust), for which prior approval is needed from the Charity Commission. The engagement of trustees to provide services will only be considered in exceptional circumstances.
- c) The Board should draw up a Trustee Expenses and Payments Policy based on the Charity Commission's guidance document CC11 'Trustee expenses and payments'.

F. Trustee induction and training

- d) Trustees will receive, and make themselves available for, a comprehensive induction upon joining the Board, arranged for founding trustees by the Kent Downs AONB Unit and thereafter by the Trust Board with the support of the AONB Unit.
- e) Trustees will receive, and make themselves available for, such ongoing training and familiarisation of issues as is deemed necessary for them to fulfil their role and responsibilities, as advised by the Kent Downs AONB Unit.

Appendix: Role descriptions for officers

Role descriptions are provided for the Chair of Trustees, Honorary Treasurer and Secretary.

Chair of Trustees

1. Role Summary

- Provide leadership and direction to the Board of Trustees and enable the Board to fulfil their responsibilities for the overall governance and strategic direction of the organisation
- Ensure that the Trust pursues its objects as defined in by its Constitution, charity law, other relevant legislation/regulations and these Terms of Reference
- If the Trust employs staff, work in partnership with employees, helping them achieve the aims of the organisation; and to optimise the relationship between them and the Board
- Represent the Board outside formal meetings and be an effective ambassador for the Trust

2. Main Responsibilities of the Chair

In relation to the Board

- Lead the Board to establish its organisational vision, goals, targets and to evaluate performance against agreed targets
- Approve the annual cycle of the board meetings, meeting agendas, chair and facilitate meetings, monitor decisions taken at meetings and ensure they are implemented.
- Liaise regularly with the Treasurer to maintain a clear grasp of the Trust's financial position and to ensure full and timely financial transparency and information disclosure to the Board.
- Lead and mentor other Board members to fulfil their responsibilities and enable access to training/coaching/information to enhance the overall contribution of the board.
- Annually review the Board structure, role, staff relationships and ensure implementation of agreed changes/developments are carried out.
- Ensure Board meetings are conducted in an atmosphere conducive to constructive and open dialogue, and encourage team working among Board members
- Be a member of and attend other committees or working groups where appropriate

In relation to staff (if appointed)

- In participation with the board, appoint staff if appropriate and lead the process of appraising and constructively guiding performance
- Act as final stage adjudicator for disciplinary and grievance procedures if required.

In relation to the AONB Partnership and wider community

- Liaise regularly with the AONB Unit and the Chair of the AONB Joint Advisory Committee (JAC) outside the formal meetings of the Board
- Lead the Board in fostering relations with potential partners and potential funders/donors.
- Ensuring adherence and compliance around key policies to e.g. Equality of Opportunity, Health & Safety and in all decisions and discussions of the Board and any sub-committees.

3. Qualities of the Chair

Essential

- Understanding and acceptance of the legal duties, responsibilities and liabilities of Trusteeship and adhering to Nolan's seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership
- Commitment to the Trust's charitable purposes, aims and values and willingness to devote time to carry out responsibilities
- Knowledge of the work undertaken by the AONB Partnership and Unit
- Good, independent judgement, political impartiality and the ability to think creatively in the context of the organisation and external environment
- Good communication and interpersonal skills and the ability to respect the confidences of colleagues
- Committed to promoting equality within the Board and all the work of the Trust

Desirable

- Prior experience of committee/trustee work
- A wider involvement with the voluntary sector
- Experience of chairing meetings, committee work, some experience of charity finance, charity fundraising
- Leadership skills exercised through a period of change

4. Time Commitment

- The Board meets at least four times a year and the Chair is expected to be available on at least eight additional days or part days in a year. The inaugural chair role will not require eight additional days per year.
- The Chair must be able to visit the AONB office and be available to the AONB senior staff and AONB Partnership Chair on a regular basis
- In addition to Board Meetings, other contact – usually electronic or by telephone – will be necessary

Honorary Treasurer – Finance Trustee

Direct Report: Works closely with the Chair, senior staff (if appointed) and the Board of Trustees.

1. Role Summary

- Monitor the financial standing of the Kent Downs Trust and reports to the Board and CEO regarding cash-flow forecasting, income streams, out-going expenses and the overarching strategic management of the organisation's financial resources.
- Oversee the charity's financial risk-management process and report financial health to the board of trustees at regular intervals.
- Act as a counter signatory on payments of funds and applications to funders and ensure that annual accounts are submitted to all relevant regulators in a timely fashion.
- Liaise with external examiners/auditors on financial issues and ensuring that the Trust's finances are responsibly managed/invested for the betterment of the Trusts' work and for the beneficiaries it serves.

2. Main Responsibilities of the Treasurer

In relation to Finance

Budgeting and strategic financial planning

- Ensure all strategic plans are financially appraised and budgets are aligned to both short-term and long-term objectives each year.
- Oversee planning/budgeting processes in participation with the Board and constructively challenge where required.
- Suggest alternative scenarios while evaluating strategic plans as a part of the risk management process.
- Follow SORP (i.e. charity reporting) guidelines to ensure transparency and accountability in relation to resource allocation.

Management Reporting

- Ensure a high standard of management accounting is maintained in order to safeguard assets.
- Prepare and produce management accounts regularly.

Statutory Financial Reporting

- Board level liaison with external examiners/auditors on specific issues in the auditing process and related board representations.
- Guide and advise fellow trustees to formally approve the annual report and audited accounts.
- Explain technicalities of accounts in plain language which is fully understood by the trustees.

Reserves Policy

- Develop reserves policy and safeguard the organisation's finances.
- Keep the board informed of free reserves position regularly and advise to cope with changing circumstances.

In relation to Governance

- Lead the Board's duty to ensure proper accounting records are kept, financial resources are controlled, invested and economically spent in line with governance, legal and regulatory requirements.
- Chair finance committees in line with standing orders and terms of reference and reporting findings/developments back to the Board of trustees.
- Advising on the financial implications of the charity's strategic plans and overseeing the charity's financial risk-management process.
- Lead in the development and implementation of financial reserves, cost management and investment policies.

3. Person Specification

Essential

- Qualified accountant with demonstrated commercial awareness and knowledge.
- Knowledge of charity SORP and impending changes.
- Competent use of IT skills.
- Proven ability to communicate and explain financial information to members of the Board and other stakeholders.
- Analytical and evaluation skills, demonstrating good judgement.
- Understanding and acceptance of the legal duties, responsibilities and liabilities of trusteeship.
- Good communication and leadership skills

Desirable

- Demonstrated knowledge and experience of charity fundraising and finance practices.
- Dedicated to the organisation's cause and objectives and willing to act as the charity's ambassador to external bodies, charities and companies.
- Skills and experience in one or more areas of non-executive governance and management e.g. strategic planning, business management, financial/accountancy, understanding of HR issues, experience of Trusts or other grant giving bodies particularly fundraising and legal knowledge.
- A team-oriented approach to problem solving and to management.

4. Time Commitment

- The Board meets at least four times a year and the Treasurer is expected to be available on at least four additional days or part days in a year, as well as spending the time needed to fulfil the 'back room' financial management duties
- Attendance at award meetings or fundraising meetings is optional

Board Secretary

NOTE: The title Secretary covers two distinct roles. The Secretary of a small organisation has a key role, together with the chair, of organising the meetings and ensuring the general smooth running of the organisation (for instance keeping a record of decisions and monitoring their implementation). In addition, the Secretary of a Charitable Incorporated Organisation is responsible for making sure that the reporting requirements of UK Charity law are fulfilled.

This role can be undertaken by a Trustee, member of staff (from Kent Downs Trust, AONB Unit or other appropriate organisation) or volunteer.

Direct Report: Works closely with the Chair, senior staff (if appointed) and the Board of Trustees.

1. Role Summary

- To ensure that Board meetings are properly administered
- To keep Trustee records up-to-date
- To monitor meeting action points
- To have a good knowledge of the Trust's constitution and charity law
- To give clear advice on procedural matters

2. Main Responsibilities of the Secretary

- Plan and prepare for Board meetings with the Chair, as appropriate
 - Planning meeting dates, booking rooms, sending out notifications, minutes and other papers
 - Drawing up agendas together with the Chair
- Minute committee meetings or ensure that another minute taker is available. In the case of closed meetings (with no others present) the secretary will take the minutes
- Accurately record decisions and actions in the minutes and report to the next Board meeting on the progress of actions and the result of decisions
- Deal with correspondence, writing letters/emails as agreed at Board meetings, summarising correspondence/emails received and drafting replies as appropriate
- Ensure that Board meetings are run according to the Constitution and charity law
 - Ensure voting procedures are followed correctly
 - Ensure that any required business is dealt with (such as appointment of independent examiner/auditors)
 - Ensure nominations for trustees from the AONB Partnership are received in time and in the correct format
- Ensure that the annual return to the Charity Commission is made on time, in liaison with the Chair and Treasurer

3. Person Specification for the Secretary

Essential

- Understanding and acceptance of the legal duties, responsibilities and liabilities of Trusteeship and adhering to Nolan's seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership

- Commitment to the charity's objects, aims and values and willingness to devote time to carry out responsibilities
- Knowledge of the type of work undertaken by the organisation – education, conservation and community development
- Organised and methodical
- Able to take good minutes
- Able to keep accurate records
- Has the relevant skills to organise a meeting well.

Desirable

- Prior experience of committee/trustee work
- A wider involvement with the voluntary sector
- Experience of acting as a secretary for a charitable organisation

4. Time Commitment

- The Board meets at least four times a year and the Secretary is expected to be available on at least four additional days or part days in a year, as well as fulfilling the responsibilities described above
- The Secretary must be able to visit the AONB office and be available to the AONB senior staff and AONB Partnership Chair on a regular basis
- In addition to Board Meetings, other contact – usually electronic or by telephone – will be necessary

Trustee - legal specialist

This role will be further developed over time with the legal specialist and other Trustees.

The general roles and responsibilities of Trustees are given on pages 1 to 4 of these Terms of reference. Supplementary guidance on the Trustee role specialising in legal matters is given below.

Main duties

- • Ensure compliance with the CIO's Constitution, and company law and other relevant legislation and best practice.
- • Monitor protection and management of charity property, resources and proper investment of funds.

Role description

- a) Support the organisation to assess areas of legal risk.
- b) Work with the organisation and its staff to develop risk management strategies in relation to legal compliance.
- c) To provide training to other Board of Trustee members in relevant areas.
- d) To review and provide guidance on contracts and service agreements.
- e) To review and set organisational policies in relevant areas.

Supplementary experience and skills

- In possession of a relevant legal qualification
- Experience of providing legal support and advice (to a charity would be desirable but not essential)
- Ability to develop and review policy documents
- Ability to develop and review contractual documents

Person Specification

Essential

- Legal experience from either the private, voluntary or public sector.
- Skills and ability to ensure that the organisation complies with its governing document, charity law, company law and any other relevant legislation or regulations.
- Desire to contribute actively to the board of trustees' role in giving firm strategic direction to the organisation.
- Understanding and acceptance of the legal duties, responsibilities and liabilities of trusteeship.
- Commitment to the organisations' values
- Leadership skills with the ability to work effectively as a member of a team
- Impartiality, fairness and the ability to respect confidences

Desirable

- Knowledge and experience of the charity sector.

Trustee - Arts, culture and heritage focus

This role will be further developed over time with the legal specialist and other Trustees.

The general roles and responsibilities of Trustees are given on pages 1 to 4 of these Terms of reference. Supplementary guidance on the Trustee role specialising in the arts and culture sector is given below.

Main duties

- Ensure compliance with the CIO's Constitution, and company law and other relevant legislation and best practice.
- Monitor protection and management of charity property, resources and proper investment of funds.

Role description

- a) Support the organisation to assess opportunities to develop and implement arts, culture and heritage initiatives that promote environmental awareness across the Kent Downs AONB area.
- b) Work with the organisation and its staff to assess and oversee and grant making policy that supports partner organisations with art, culture and heritage funding.
- c) To review and set organisational policies in area relevant to art, culture and heritage.

Supplementary experience and skills

- Relevant experience of developing art, culture or heritage projects
- Ability to develop and review art, culture and heritage opportunities
- Ability to develop and review art, culture and heritage strategies that support the organisation

Person Specification

Essential

- Knowledge of the arts, culture or heritage charitable context
- Experience of promoting arts, culture and heritage to wide sections of the community
- Appetite to and interest in considering innovative ways of linking arts, culture and heritage to Kent Downs Trust activities across the Kent AONB area.
- Skills and ability to ensure that the organisation complies with its governing document, charity law, company law and any other relevant legislation or regulations.
- Desire to contribute actively to the board of trustees' role in giving firm strategic direction to the organisation.
- Commitment to the organisations' values
- Leadership skills with the ability to work effectively as a member of a team
- Impartiality, fairness and the ability to respect confidences

Desirable

- Knowledge and experience of the charity sector.
- Knowledge of art, culture and heritage funding.
- Experience of art, culture and heritage projects that promote environmental resources
- Knowledge of existing art, culture and heritage projects in the Kent or another AONB area.