

The background of the slide is a collage of colorful umbrellas. The top half features a large blue umbrella on the left and a large orange umbrella on the right. The bottom half shows a dense cluster of various colored umbrellas (blue, red, green, pink) against a blurred background of trees.

BEALE&CO



# Managing your risk as a charity trustee

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## Who are trustees?

- + What is a trustee
- + Roles of trustees
- + Trustee duties
- + Risks of liability when acting as a trustee
- + How to reduce the risk of liability
- + Some case studies
- + Letters of support for trading subsidiaries
- + Key Takeaways/questions

## Who are trustees?



## Common roles

- The Treasurer
- The Chair



This could be as...

- An academy trustee
- A school governor
- A director of a charitable company
- A church trustee



## 6 key trustee duties

1. Ensure your charity is carrying out its purposes for the public benefit
2. Comply with your charity's governing document and the law



## 6 key trustee duties

3. Act in your charity's best interests

4. Manage your charity's resources responsibly



## 6 key trustee duties

- 5. Act with reasonable care and skill
- 6. Ensure your charity is accountable





## Risks of liability

- Personal liability to the charity
- Liability to third parties
- Criminal liability
- Insurance



## How to reduce the risk of liability

1

Establish a risk policy.

2

Identify risks (what could go wrong).

3

Assess risks (how likely is it, and how serious would it be).

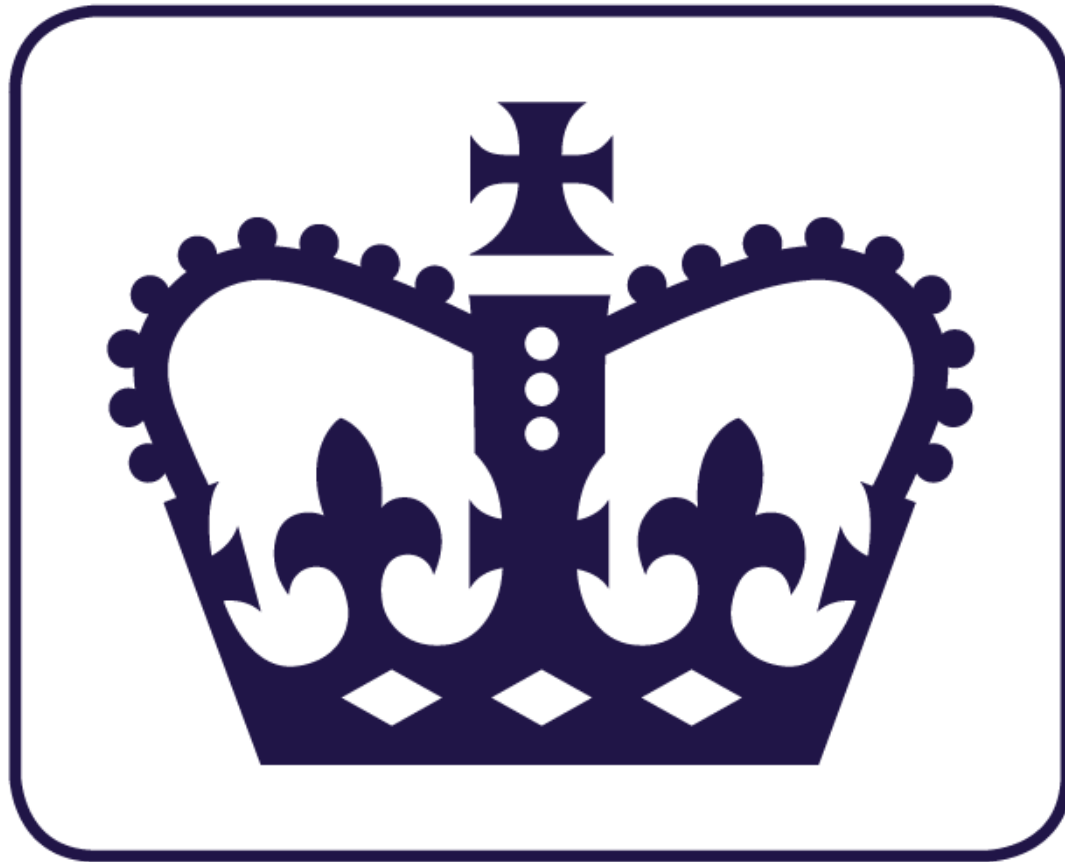
4

Evaluate what action to take (eg avoid it, transfer it, insure against it, accept it).

5

Review, monitor and assess periodically.

## Further Charity Commission tips to avoid risk



## Claim risks/examples

- Direct claims against charitable trustees are relatively rare (many that do occur involve dishonesty)
- Education – often for breaches of the Equality Act
- Defamation
- Employment

## Case study – The Cowesby Trust



## Case Study – Hospice Aid UK



## Letters of support – trading subsidiaries



## Key takeaways

### 01

Be mindful of the six key trustee duties

### 02

Be mindful of risks and how to manage them

### 03

Seek guidance from the Charity Commission or seek professional advice if you are unsure



## Questions?



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