

ROLE OF A CHARITY CHAIR

The Charity's governing documents will set out some of the roles and responsibilities of the Chair of a Board of Trustees. It is important that the charity acts in accordance with its governing document and any role description for the Chair must comply with this. Charity trustees and Boards are often referred to by different names depending on the Charity structure used. The term "Board" has been used throughout this document to refer to the Governing Body, whether it is called a Board of Directors, Trustee Body, Management Committee or Board of Governors.

There will be many areas which are not covered in a governing document. Often charities develop additional internal rules or procedures and these are often very helpful, though they must never conflict with the governing document.

The role of the Chair of a Board of Trustees is crucial and clarifying the role of the Chair in internal rules can be very helpful in preventing unnecessary confusion. In addition many charities have adopted a clear governance model and the role also needs to link into this.

There are some useful training materials provided by many providers. However some materials give responsibilities to the Chair which are seem to imply responsibilities that can contradict some governance models and general good practice. Suggestions such as "Leading the organisation to enable it to fulfil its purpose" in a Chair's role description is at best easy to misunderstand and at worst not a responsibility of the Chair as an individual.

1. ACTING CORPORATELY

The Chair is not the "de facto head" of the organisation. Rather the Chair should act as the representative of the whole Board, basing actions on the decisions of the whole trustee body. Charity law insists that the Board acts corporately and it is not the role of the Chair to circumvent this.

In addition the Chair is not the "head boss" over the CEO (or operational head). The CEO reports to the whole Board and must be allowed to manage the organisation without undue interference from the Chair.

The following are some generic principles that have been found useful.

- a) **Compliance:** The Chair needs to take a lead in ensuring that the Board fulfils its function, legal duties and is well governed
- b) **Governing:** The Chair needs to take responsibility for ensuring the Board follows the governance model adopted and that the Board does not stray into management tasks
- c) **Meetings:** The Chair needs to ensure Board meetings are chaired effectively and that meetings are based on a clear agenda and well minuted.
- d) **Supporting the CEO:** The Chair needs to support the CEO and also ensure the CEO is held to account appropriately
- e) **Liaison:** The Chair acts as a conduit between the Board and the CEO (and possibly other senior staff)
- f) **Representation:** The Chair may need to represent the Charity on occasions, but this needs to be in liaison with the CEO
- g) **Arbitrator:** The Chair may act as a last point of call on behalf of the Trustees in disciplinary, grievance, whistleblowing and complaints procedures

2. CHAIR AND CEO RELATIONSHIP

The relationship of the Chair of the Trustees with the CEO is vitally important in any organisation if it wants to thrive. It is also important that the two people understand their different roles so that misunderstandings do not develop unnecessarily.

The CEO (or the senior staff member) needs to be allowed to manage the operational side of the work within the vision, values and overall strategic direction set by the Board.

This is often where small charities can go wrong. The role of the Chair of Trustees (and the trustee body in general) in a small charity with few paid staff needs to be more operational than in a larger charity with many staff. However it can still be helpful to clarify the difference between the person's role as Chair and their more operational role as a volunteer. In addition, as a charity grows the Chair of Trustees will need to change his role to one which covers the governance responsibilities, rather than operational ones. If this is not handled well this can cause problems.

So having a clear set of responsibilities for the Chair is essential, although also research shows that the personal relationship between the Chair and CEO is vital. Consequently building a close and robust relationship is therefore very important.

Some values behind a clear working Chair/CEO relationship:-

1. Knowing each other outside of the meetings so that a relationship could be formed. Openness and honesty needed to be at the heart of such a relationship. If this is missing, the relationship can be in trouble.
2. Building respect for and understanding of each other's different abilities.
3. Having clearly talked through and written down roles/guidelines on expectations of each other.
4. Feeding back to each what is going well and what is not going well.
5. Praising each other successes, while at the same time tackling difficult issues
6. Supporting the each other prayerfully and personally, taking care not to go behind each other's back or criticise publically

3. UNDERSTANDING THE DIFFERENT ROLES

It is important that the Chair understands that s/he is not the "more senior CEO" – indeed that the role is as a representative of the Board. There is nothing worse than a Chair frustrated in his or her own job and using the opportunity to take on some of the CEO's role and defending it as part of their "Christian calling".

Some specific roles:-

1. **Chairing Meetings:** The Chair needs to chair a meeting well, ensuring that all the trustees contribute. The Chair needs to work well with the CEO in ensuring the Board agenda is appropriate, focusing on all of the fiduciary, strategic and generic responsibilities.
2. **Ensuring compliance:** The Chair needs to take a lead in ensuring that the compliance responsibilities of the Board are fulfilled, while keeping an eye on the fact that the main role of the trustees is to ensure the organisation is fulfilling its objectives, having a clear vision and looking to the future
3. **Vision setting:** The Chair needs to ensure that trustees take the key appropriate vision, values and strategic decisions and not just leave that area to the CEO
4. **Right information:** The Chair needs to ensure that the right information is provided to the trustee body, both inside and outside meetings. This should include both internal information as well as wider sector information and trends
5. **Non-operational:** The Chair needs to ensure that other trustees do not overstep the mark in interfering in operational issues
6. **Support and challenge:** The Chair needs to get the balance right between support and robust challenge for the CEO and senior staff

4. CEO SUPPORT, REVIEW AND APPRAISAL

The only real operational role of the Chair of Trustees is to take responsibility for the appraisal or performance review of the CEO.

Different organisations have different understandings of reviews and appraisals. It is important that the process is based on the values and culture of the organisation, not just on imported systems. It is also recommended that annual appraisals should be part of an ongoing process, rather than just confined to an annual performance review.

It is helpful if the Chair can meet regularly with the CEO for encouragement, prayer and feedback so that:

- The CEO can seek independent advice and counsel
- There are no surprises in the annual review
- Issues can be dealt with at an early stage
- The CEO has a clear feedback mechanism

Formal appraisals and reviews should be a constructive process that allows staff members to be appraised against their job roles. Any review needs to be a two-way process to provide:-

- Feedback to the CEO in his/her work
- An opportunity for the CEO to identify ways in which the Board can help the CEO be more effective

It is normal practice for the CEO's annual review to be undertaken by the Chair, often with another trustee present. It should remain strictly confidential to those involved in the review and the CEO. It is good practice for the final version to be signed by both the Chair and the CEO, with copies retained by both. However it is also helpful for there to be an agreed summary from the annual review form that is available to the whole Board.

It is also good practice that the general review forms and process for all other staff is followed, though there will be additional sections relating to the relationship with the Board and the overall performance of the organisation.

It is helpful for there to be a written review form on which the CEO reviews his/her own work against the job role, including key areas of responsibility, key elements of the Strategic Plan and objectives set in previous reviews. It should also include the CEO's assessment of the direction and support from the Board, with suggestions for improvement. It should also include an assessment of any concerns or difficulties being experienced, as well as suggestions for training and future objectives.

Before the meeting, the Chair should seek input from the Board to see if there are any matters they wish to be raised. The review form should then be used as the framework for the discussion, allowing for the CEO to reflect on each section with feedback from the Chair and other trustee. The meeting should allow for jointly developing appropriate objectives for the coming year and the results of this discussion will form the basis of the informal meetings and the subsequent annual review.

Key elements in the support and appraisal of a CEO:-

- **An ongoing process:** There should be other mechanisms for support and accountability of a CEO in addition to annual review.
- **Understand the role of a review:** Reviews should not be used to circumvent any disciplinary or grievance procedures when there is conflict, though a review may bring important issues into the open.
- **Get training:** Chairs should consider training in listening and feedback skills if they have not had such training.
- **Clear system:** There should be a clear form to be used, agreed mechanisms to input into the review from those not present, clear sign off of the completed form, and an agreed way to feed-back key conclusions to the Board

- **Clear outcomes:** The Chair should ensure that the CEO is provided with appropriate training for identified areas. The review should set clear objectives for the next year and be used as a starting point for the next review

As well as this more traditional appraisal system, it does not leave room for any input by other people who may have close contact with the CEOs. To rectify this gap, so-called 360° review can be helpful. The idea is to obtain an all-round perspective on the person's performance, including comments from the Board, staff members who report to the CEO and appropriate external people, especially partner organisations and key stakeholders. Usually the 360° review is a questionnaire offering a spectrum of responses across a range of areas from very poor to outstanding. It is important that there is also a "No comment" box, to be used when the assessor has insufficient opportunity to make a considered judgement on an aspect. Anyone using such a process does require specialist training and the whole process takes time and commitment. However it can be a very helpful way of affirming a CEO and also identifying areas that would benefit from training or emphasis.

5. USEFUL RESOURCES AND INFORMATION

The Charity Commission document (CC3) is a useful guide to the general roles of a Charity trustee. There is some additional guidance on the role of a Chair in section 12. www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3

The Association of Chairs has published "A Chair's Compass: A guide for Chairs of charities and non-profit organisations. It is available from www.associationofchairs.org.uk/resources/chairs-compass/

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October 2016