

Chance to Shine Board

Terms of Reference

Purpose

Chance to Shine Foundation ("CTS") is a registered charity and company limited by guarantee and as such has directors and members for the purposes of the Companies Act and trustees for the purposes of the Charity Act. The directors are the members and also the trustees of CTS and will be referred to here in as "Trustees". The Board of Trustees ("Board") is responsible for the overall control and strategic direction of CTS, in accordance with the Memorandum and Articles of Association ("Articles") and other relevant legal and regulatory requirements and high standards of good governance.

Composition

The Board will comprise between three and twelve non-executive Trustees including a Chair. Appointments, including the Chair, shall be nominated by the Governance & Remuneration Committee and subject to Board approval via a simple majority vote at a formal General Meeting. The Board may co-opt a Trustee at any time who will hold office until the next General Meeting.

Appointment of Trustees will be made through an open and publicly advertised recruitment process and will be based on relevant skills, experience and suitability. The Board is committed to achieving a composition that reflects all forms of diversity.

The Board will appoint one of its Trustees as the Senior Independent Director ("SID") whose role will be to:

- Provide a sounding board for the Chair
- Deputise for the Chair in their absence
- Lead the process of appraising the Chair's performance
- Serve as an intermediary for other Trustees when necessary

The Board will appoint one of its Trustees as the Welfare and Safety Lead whose role will be to ensure that welfare and safety, in terms of safeguarding (adults and children) and mental health and wellbeing (including psychological safety), is considered by the Board when taking decisions.

The Board will appoint one of its Trustees as the EDI Champion whose role will be to ensure that equality and diversity is considered by the Board when taking decisions.

Trustees will be initially appointed for a term of three years and will be eligible to be reappointed for a further two terms of three years up to a maximum of nine years. After serving the maximum term a Trustee may not be re-appointed until four years has passed.

Meetings

The quorum for meetings will be the greater of one half of the Trustees or three.

The Board shall meet at least four times per year including the Annual General Meeting usually held in January.

A schedule will be maintained of standing agenda items to be covered across the meetings to be held in the year.

The Senior Management Team shall normally be present at Board meetings and the Chair may invite other members of the staff team and third parties as required.

The Director of Finance & Resources will act as secretary to the Board and will coordinate all communications, activities and meeting arrangements. The meeting agendas and necessary papers will be distributed at least one week before each meeting. Minutes will be taken by an appointed member of the staff team and be circulated after the meeting.

Principal responsibilities

The Articles set out CTS's objects, the activities it may undertake to deliver those objects and the powers and duties of the Trustees. The Trustees must exercise their powers in strict accordance with the Articles.

The *Duties and Responsibilities of the Trustees* document (Appendix 1) sets out the Trustees responsibilities as directors of a company and trustees of a registered charity.

In summary the Board is responsible for:

Strategic direction - agreeing the vision, mission and strategic direction of CTS.

Performance management and reporting – monitoring performance, impact and progress towards strategic objectives.

Financial management and reporting – monitoring progress against an annually approved budget and approving the annual report and financial statements.

Risk Management and controls – ensuring effective controls and that major risks are identified, reviewed and appropriate steps taken to mitigate those risks.

Governance - overseeing CTS's adherence with Charity Commission regulations and any other legislation and best practice, including, but not limited to, UK Code for Sports Governance and Code of Fundraising Practice.

Compliance – overseeing CTS's compliance with all constitutional, legal, regulatory and statutory requirements; including, but not limited to, safeguarding and health and safety.

Sub committees and advisory boards

The Board may delegate any of its power to a sub committee. Any such committee must comprise at least two Trustees of the Board. Each committee Chair is responsible for providing a formal update to the Board at Board meetings.

The Board may also create further advisory boards to support its strategic aims and objectives and its decision making. Advisory boards do not have any delegated power.

The Board currently has two sub committees, each with its own Terms of Reference:

Governance and Remuneration Committee which is responsible for trustee nominations, appointment of Chief Executive, remuneration and overall governance of CTS. This Committee also has the power to make decisions on urgent matters where full Board authority cannot be obtained.

Audit and Risk Committee which is responsible for financial reporting, internal controls, risk management, investment management, performance reporting, whistleblowing and safeguarding.

The Board currently has three advisory boards:

Development Board whose role is to assist CTS to raise funds for its ongoing and future programmes.

County Advisory Board whose role is to advise CTS and its Board on the relationship and expectations between CTS and the County Cricket network, both recreational and professional.

The Youth Advisory Board exists as a voice for young people in the charity's work.

List of Reservations and Obligations

The *List of Reservations and Obligations* sets out details of matters reserved for the Board, delegation of authorities and obligations to provide certain information.

Evaluation and Assessment

The Board shall annually review its own role, activities and effectiveness, which may be conducted either internally or by an external third party (at least every 4 years). This Board Terms of Reference is reviewed every two years or earlier if necessary.

Appendix 1

The duties and responsibilities of the Board of Trustees

The purpose of this note is to give the trustees a broad overview of the requirements of their trusteeship of Chance to Shine. The note is necessarily brief and, whenever a trustee is in any doubt as to how to proceed, it is essential that advice is sought sooner rather than later.

Being a trustee is not a passive role – it requires the exercise of powers and the fulfilment of duties. Powers and duties complement each other, in that for example the power to spend Chance to Shine's money is matched by the duty of the trustees to spend the money wisely. Set out below are a number of different aspects of the trustees' role, together with a few general comments:

1. Each trustee of Chance to Shine has a dual set of responsibilities. The first of these arises by virtue of the fact that the trustees are directors of a limited company and so are subject to the obligations set out, for example, in the Companies Act 2006. The second set of responsibilities arises from the fact that the trustees are also trustees of a charity and so are subject to a further set of rules relating to charities and how they should be managed. The dual roles of trustee and director are not mutually exclusive, but complement each other.
2. As directors of a company, the trustees must comply with the following duties:
 - To act within the powers they are given by law and the company's rules set out in the articles of association
 - To promote the success of the company
 - To exercise independent judgement and avoid conflicts of interest, while not accepting benefits from third parties
 - To exercise reasonable care, skill and diligence in the performance of their role (explained in more detail below)
 - Keep company records and report changes to Companies House and HM Revenue and Customs (HMRC).
 - Make sure the company's accounts give a 'true and fair view' of the business' finances.
 - Ensure tax and other legal obligations of the company are met.

They can hire other people to manage some of these things day-to-day, but are still legally responsible for the company's records, accounts and performance.

3. They must have regard to the likely consequences of any decision, the interests of employees, the need to foster relationships with third-parties, the impact of operations on the community and the environment. They must maintain a high reputation for Chance to Shine and must act fairly.
4. As trustees of a charity, the trustees have legal duties which are detailed in the Charity Commission guidance [the Essential Trustee](#).

- a. Make sure your charity's carrying out its purposes for the public benefit

You and your co-trustees must make sure that the charity is carrying out the purposes for which it is set up, and no other purpose. This means you should:

- ensure you understand the charity's purposes as set out in its governing document
- plan what your charity will do, and what you want it to achieve
- be able to explain how all of the charity's activities are intended to further or support its purposes
- understand how the charity benefits the public by carrying out its purposes

- b. Comply with your charity's governing document and the law

You and your co-trustees must:

- make sure that the charity complies with its governing document
- comply with charity law requirements and other laws that apply to your charity.

You should take reasonable steps to find out about legal requirements, for example by reading relevant guidance or taking appropriate advice when you need to.

c. Act in your charity's best interests

You must:

- do what you and your co-trustees (and no one else) decide will best enable the charity to carry out its purposes
- make balanced and adequately informed decisions with your co-trustees, thinking about the short and long term
- avoid putting yourself in a position where your duty to your charity conflicts with your personal interests or loyalty to any other person or body
- not receive any benefit from the charity unless it's properly authorised and clearly in the charity's interests– this also includes anyone who's financially connected to you – such as a partner, dependent child or business partner

d. Manage your charity's resources responsibly

You must act responsibly, reasonably and honestly. This is sometimes called the duty of prudence. Prudence is about exercising sound judgement. You and your co-trustees must:

- make sure the charity's assets are only used to support or carry out its purposes
- avoid exposing the charity's assets, beneficiaries or reputation to undue risk
- not over-commit the charity
- take special care when investing or borrowing
- comply with any restrictions on spending funds or selling land.

You and your co-trustees should put appropriate procedures and safeguards in place and take reasonable steps to make sure these are followed. Otherwise you risk making the charity vulnerable to fraud or theft, or other kinds of abuse.

e. Act with reasonable care and skill

As someone responsible for governing a charity, you:

- must use reasonable care and skill, making use of your skills and experience and taking appropriate advice when necessary
- should give enough time, thought and energy to your role, for example by preparing for, attending and actively participating in all trustees' meetings

f. Make sure your charity is accountable

You and your co-trustees must comply with statutory accounting and reporting requirements. You should also:

- be able to demonstrate that your charity is complying with the law, well run and effective
- make sure there's appropriate accountability to members, if your charity has a membership separate from the trustees
- make sure there's accountability within the charity, particularly where you delegate responsibility for particular tasks or decisions to staff or volunteers

Liability -Breach of trust

Despite the legal forms of a limited company and charity, a director and/or trustee can be held personally liable if they have been negligent in discharging their duties or are otherwise in 'breach of trust'. Examples include acting outside their powers, and, in the case of a charity, misapplying

the charity's assets to a non-charitable purpose, or failing to manage the company's affairs properly, leading to an unnecessary payment of tax. Provided directors/trustees remain mindful of their duties and powers when making decisions (taking advice as may be needed), they can manage the risk of accidental breach of trust.

The consequences of a breach of trust might include being removed as a director/trustee and being pursued for the amount of any financial loss to the legal body that resulted from the breach.

It may also be a comfort to know that, in the case of the charities, the Charity Commission has the power to decide not to suspend a trustee and set aside breaches of trust where the trustee acted in good faith and it would not be in the interests of the charity to enforce the breach. Therefore, it is relatively rare for trustees to be held personally liable to their charity for accidental actions or oversights.