

Being a Director of the Forres Area Community Trust, the community development trust for the Forres area

Information & Application Pack

Our Mission

To work together to create a better place to live, work and visit.

This document sets out information relating to being a Director of FACT.

We recommend you read it, and the information it refers to, and then have a discussion with the Chair of FACT's Board or another Director before submitting your application. Further information about the formal process is set out in section 4.

1. Information about the Forres Area Community Trust (FACT)

FACT is the community development trust for the Forres area. It is both a charity and a company limited by guarantee. The definition of the community it serves is the Forres Academy catchment area. This stretches from Alves in the east to Dyke in the west, north to Findhorn and south to Dallas.

FACT runs a number of funded projects¹ that support the wellbeing of those who live in the area, as detailed on the website. It also enables a variety of other activities to take place through making parts of Forres Town Hall available to other groups.

FACT has over 200 members. Most of these are individuals who are resident in the area, who are known as Ordinary Members. Adults who live outside the area and organisations can be Associate Members, while those under 16 can join as Junior Members.

At March 2022 FACT employed 10 members of staff, on a mix of part time and full-time basis. Its activities rely on both paid staff and volunteers.

FACT acquired Forres Town Hall from Moray Council in 2020 through a Community Asset Transfer. Considerable redevelopment of the hall is required.

The history of the development of FACT since its foundation in 2011 is available on the FACT website.

¹ <https://forresarea.org/the-community/projects/>

2. Being a Director and Trustee - the Role and Responsibilities

A Director of a company such as FACT has certain legal responsibilities. As FACT is also a charity its Directors are also Trustees under charity law, which also creates legal responsibilities.

The Directors of a company are primarily responsible for:

- Determining the company's strategic objectives and policies
- Monitoring progress towards achieving the objectives and policies
- Appointing senior management
- Accounting for the company's activities to relevant parties, e.g. members

There is guidance and information about being a Director² and Trustee³ online, some of which is summarised in appendix one.

Being a Director of FACT

Directors of FACT are volunteers who give their time, experience, and expertise to guide the organisation.

Governance

FACT's governing document is its Articles of Association, which set out its objects and how it should operate.

The Directors, meeting collectively as the Board, set the strategic objectives and monitor the performance and financial position of the company. The staff are responsible for the day-to-day operations of FACT, but under the guidance and supervision of the Board. While some Board members have specialist skills in particular areas, e.g. finance, all the Directors remain responsible collectively.

All Directors bring experience to the Board. Some have specialist skills, expertise or experience. All Directors are expected to draw on those to the benefit of the company. Diversity of experience and expertise makes a Board more effective.

Directors are expected to attend Board meetings, which are usually held monthly. Other tasks include using their skills to participate in debate, work in sub-groups on particular topics, reading and commenting on Board papers and attending appropriate training. Directors will also be expected to participate in the life of FACT, volunteering at some events and keeping current with the environment within which FACT operates.

From time-to-time FACT will audit the skills of the Board and seek to ensure that there is sufficient diversity. Recruitment of Directors may be targeted towards widening or safeguarding the range of experience and expertise available to the company.

² <https://www.gov.uk/guidance/being-a-company-director>

³ <https://www.oscr.org.uk/guidance-and-forms/guidance-and-good-practice-for-charity-trustees/>

Forres Area Community Trust is a Company Limited by Guarantee, registered in Scotland as Company No: SC412275 and is a Charity registered in Scotland, No: SC044953.

FACT – Being a director

FACT's Articles of Association and financial accounts are available both on the Companies House website and the FACT website⁴.

Election

Directors can either be voted onto the Board by the members at the annual general meeting or co-opted onto the Board to provide specialist experience, skills or perspectives to assist the Board. To be eligible for election the person must be an Ordinary Member of FACT, but this is not a requirement for a co-opted member. The person may not be a FACT employee. If elected at the AGM the term of service is usually for 3 years, while co-opted directors retire at the next annual general meeting. Re-election and re-co-option are possible. Under the Articles there is a minimum of 7 Directors, of which the majority should be elected, and a maximum of 15 (12 elected, 3 co-opted).

As part of its governance process FACT's Directors are required to adhere to a code of conduct, which is available on the website. Similarly, Directors are required to provide an annual declaration of their interests to the Board's secretary to facilitate the management of potential conflicts of interest. An example of this form is also available on the website.

Strategic Objectives

FACT's Board agreed seven strategic objectives on 7 December 2020. In February 2022 a review agreed that these should remain unchanged. Of the seven, three relate to how FACT operates, ("operational"), and four to what FACT should do ("external").

The Strategic Objectives are that FACT:

1. operates to a high standard, with governance and operational processes that are in line with best practice
2. continues to deliver high quality outcomes on all projects
3. operates with due regard to financial and environmental sustainability, in ways that are consistent with its objectives and charitable status
4. develops the Town Hall to the benefit of the community
5. facilitates the community's ability to benefit from the "digital age"
6. works, with partners as appropriate, to bring economic prosperity and sustainable rural regeneration to the area.
7. engages with the whole community in an inclusive way to facilitate their opportunities for improving wellbeing.

3 About You

If you are interested in becoming a Director of FACT, we would like to know more about you, your experience and expertise, please.

⁴ <https://forresarea.org/the-trust/about/reports/>

An adjunct to this paper sets out the formal paperwork for your application. Before you complete it however, we recommend you have a discussion with the Chair of FACT's Board or another Director. We may also invite you to participate in one or two Board meetings before making your application.

4 Appointment Procedures

Once we have received your application, we will go through the appointment procedures. The timing of this will depend on the time of year, and whether you are seeking appointment as a Director by election of the members or co-option.

The procedure will include:

- Interview with 2 directors
- Take up references
- Attending a Board meeting or meetings

If at the end of the process you wish to become a Director and the Directors considers you are a suitable candidate and will bring valuable experience and / or expertise to the Board they may either co-opt you or recommend you to the members for election at the AGM. This will include publishing your name and the reasons you wish to be a Director (see section 6).

5. After appointment as a Director

Following your appointment as a Director, your name, date of birth and home address has to be provided to Companies House and OSCR. However only your name, month and year of birth becomes public. Your details may also be required by FACT's bank. You will have to sign the code of conduct and complete the register of interests.

We will then take you through an induction process, which may include mentoring, to help you develop your knowledge of FACT to enable you to better fulfil your role as a Director. At any stage if you have any questions please ask! The induction process will cover:

- Governance documentation
- Organisational matters, meeting directors and staff
- Risk management
- Finance and Budgets
- Forres Town Hall
- FACT projects

6. Application

If you are interested in becoming a Director please complete the application form, which is downloadable from the website, and requests information about you and your skills.

- Personal Details
- Experience and Skills

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FACT – Being a director

- Declaration
- Nomination by a Member of FACT

The section on motivation includes a statement of no more than 100 words summarising why members should elect you as a Director of FACT. This information, along with your name, may be published via the FACT website before the AGM to enable members to make an informed choice

Please return your completed, signed nomination form by email to: info@forresarea.org or to Forres Town Hall, High Street, Forres. IV36 1PB to arrive no later than 9 am on 30th September.

Appendix one

Duties of a Director – extract from guidance from Companies House⁵

As a director, you must perform a set of 7 duties under the [Companies Act 2006](#). These still apply if:

- *you're not active in your role as director*
- *someone else tells you what to do*
- *you act as a director but have not been formally appointed*
- *you control a board of directors without being on it*

Company's constitution

You must follow the company's constitution and its articles of association. These are written rules about running the company, agreed by the members, directors and the company secretary.

The constitution sets out what powers you're granted as a director, and the purpose of those powers.

Promote the success of the company

You must act in the company's best interests to promote its success. You must consider the:

- *consequences of decisions, including the long term*
- *interests of its employees*
- *need to support business relationships with suppliers, customers and others*
- *impact of its operations on the community and environment*
- *company's reputation for high standards of business conduct*
- *need to act fairly to all members of the company*

⁵ <https://www.gov.uk/guidance/being-a-company-director>

FACT – Being a director

If the company becomes insolvent, your responsibilities as director will apply towards the creditors, instead of the company. A creditor is anyone owed money by the company.

Independent judgement

You must not allow other people to control your powers as a director. You can accept advice, but you must use your own independent judgement to make final decisions.

Exercise reasonable care, skill and diligence

You must perform to the best of your ability. The more qualified or experienced you are, the greater the standard expected of you.

You must use any relevant knowledge, skill or experience you have (for example, if you're a qualified accountant).

Avoid conflicts of interest

You must avoid situations where your loyalties might be divided. You should consider the positions and interests of your family, to avoid possible conflicts.

You should tell other directors and members about any possible conflict of interest, and follow any process set out in the company's articles of association.

This duty continues to apply if you're no longer a director. You must not take advantage of any property, information or opportunity you became aware of as a director.

Third party benefits

You must not accept benefits from a third party that are offered to you because you're a director. This could cause a conflict of interest.

The company may allow you to accept benefits like reasonable corporate hospitality if it's clear there's no conflict of interest.

Interests in a transaction

You must tell the other directors and members if you might personally benefit from a transaction the company makes. For example, if the company plans to enter a contract with a business owned by a member of your family.

Other duties

Other duties you must perform as a company director include:

- *not misusing the company's property*
- *applying confidentiality about the company's affairs*

Trustee

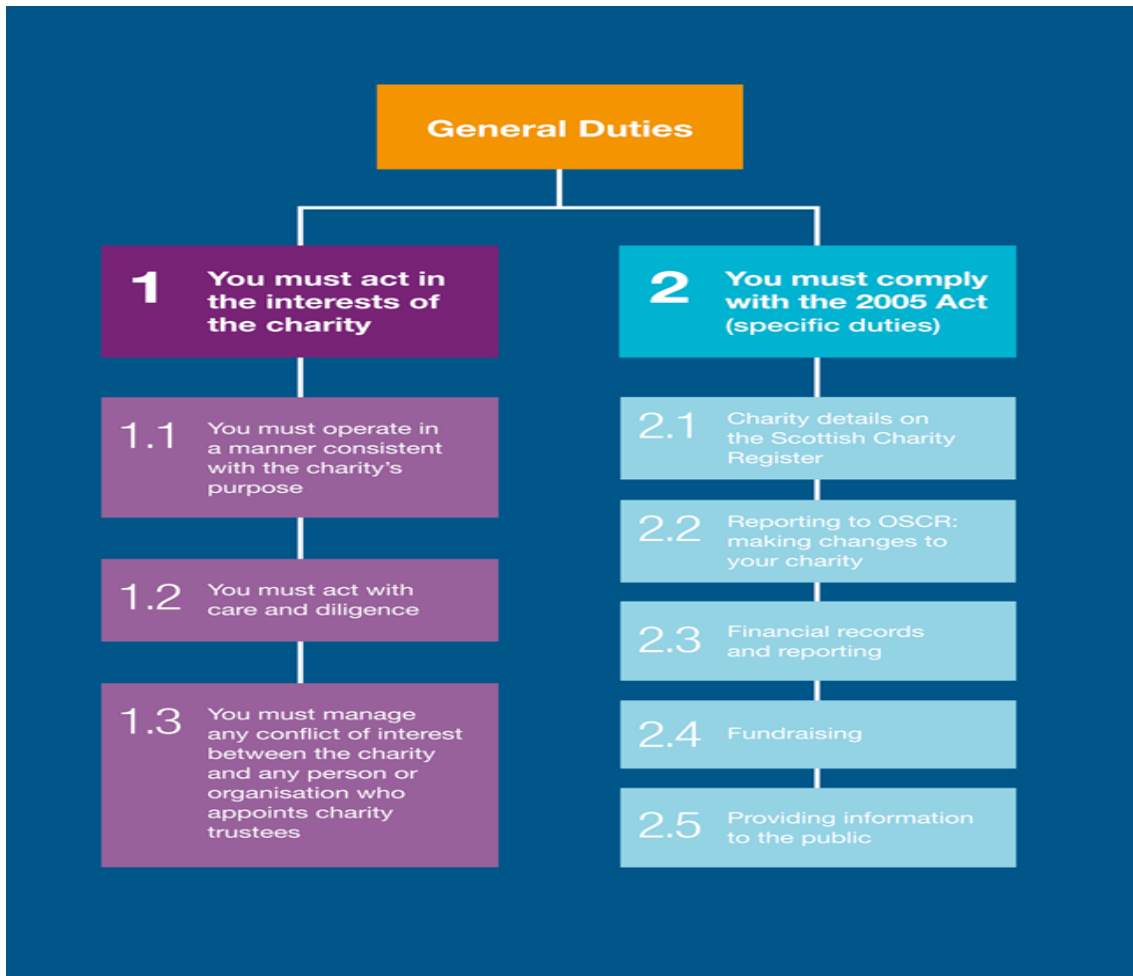
A Trustee has similar, but not identical responsibilities. Guidance on the roles of trustee of a charity is also available online, including on the OSCR website⁶. OSCR summarises these in the following diagram:

6

<https://www.oscr.org.uk/guidance-and-forms/guidance-and-good-practice-for-charity-trustees/>

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FACT – Being a director



Source OSCR

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6. Application

This section contains:

Personal Details

Experience and Skills

Declaration

Nomination by a Member of FACT

Personal Details

Personal Details	
Title	
Forename	
Surname	
Previous forename or surnames	
Usual residential address	
Postcode	
Telephone/mobile	
Email	
Date of birth	
Nationality (if dual please provide both)	
Occupation	
Professional qualifications, if any	
Other Director and/or Trustee positions, now or in previous 5 years	
Name, address and email of first reference	
Relationship with first referee (e.g., employer)	
Name, address and email of second reference	
Relationship with second referee (e.g., employer)	

Experience and skills

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FACT – Being a director

This section looks at your motivation, experience and skills.

<p>Motivation, Please provide a statement of no more than 100 words summarising why members should elect you as a Director of FACT. This information may be published via the FACT website before the AGM to enable members to make an informed choice</p> <p>This should explain why you would like to be a Director of FACT and any particular interest or reasons for wanting to be a Director of FACT?</p>	
<p>Diversity A diverse board is able to reflect and support the delivery on an organisation’s mission. Do you have a specific service user experience, social or family experience, background or interest that will help us to support FACT’s goals?</p>	
<p>Areas of Work Are there any areas of FACT’s work you have a particular interest in and/or would like to become more involved in?</p>	

Skills and Experience

The table below has been designed to be filled out by prospective members of the Board to help them identify the skills that they could bring to FACT.

Level of expertise 1. highly experienced 2. proficient 3. some experience 4. no experience

Skills/experience/knowledge/qualifications	Level of expertise				Comments
	1	2	3	4	
Administration					
Board experience					
Campaigning					

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FACT – Being a director

Change management	-	+	+	+	+	+
Charity/voluntary experience	-	+	+	+	+	+
Community Development						
Conflict resolution	-	+	+	+	+	+
Customer care						
Data protection & management						
Digital, social media & websites						
Diversity						
Economic development, Enterprise/business development						
Education & Training						
Finance, Budgets & Tax	-	+	+	+	+	+
Fundraising						
Governance						
HR and People management	-	+	+	+	+	+
Health & Safety						
Income generation	-	+	+	+	+	+
IT	-	+	+	+	+	+
Leadership						
Legal						
Marketing						
Moray and Forres communities						
PR/communications						
Project management						
Property management	-	+	+	+	+	+
Property redevelopment						
Public sector						
Relationship management						
Risk management & mitigation						
Rural regeneration						
Safeguarding						
Service user/beneficiary of organisation						
Social development						
Strategic planning						
Team development						
Working in partnership with other organisations						
Working with disadvantaged people						
Youth work						

Declaration

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FACT – Being a director

I have read and understood my duties and responsibilities in accepting a position on the Board of FACT and undertake to fulfil these duties in good faith and in accordance with the provisions of the law and its Code of Conduct.

I:

- am over 16 years of age
- agree to abide by its Code of Conduct and to formally register any relevant interests during any meetings of the Board where personal or professional interests are at stake
- agree to uphold the values and objectives of FACT, and to encourage best practice in all areas of its work
- am a person not disqualified from being a company director
- am not someone who has been removed under either Scottish or English Law, or the courts, from being a charity Trustee
- do not have an unspent conviction for dishonesty, or an offence under the Charities and Trustee Investment (Scotland) Act 2005
- am not an undischarged bankrupt
- have no financial or other relevant interest in FACT that has not been formally disclosed

I am / am not an Ordinary Member of FACT.

Signed and dated

Nomination by a FACT member

Your application needs to be supported by a nomination from a FACT member.

I confirm that I (*insert name*) am an Ordinary Member of FACT

I nominate (*insert applicant's name*) as a potential Director of FACT

Signed and dated

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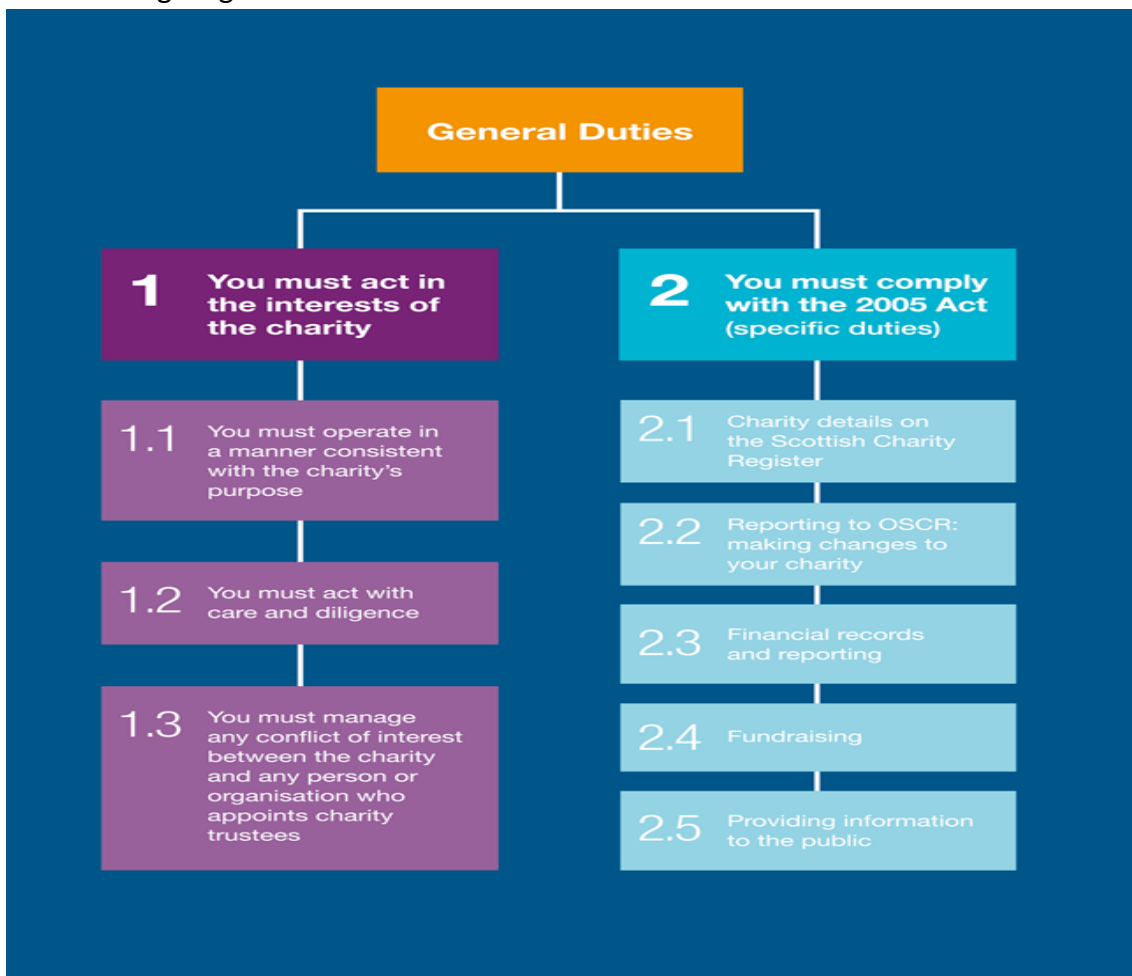
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