

Trustee – Term Limits and Maximum Length of Service

As stated in the Home-Start Handbook (2022), every Local Home-Start is required to include the following in their governing document:

‘terms of office should apply for trustees, with no single term exceeding four years’ (Home-Start Handbook [PDF], p65)

This is in line with a legal requirement for trustees to follow their governing document’s rules about trustee appointments and length of service.

The Handbook does not currently stipulate how many terms a trustee can be re-elected and there is currently no specific legal requirement for an organisation to define the length of a term of office or the maximum number of terms a trustee may serve. However, many charities do choose to include a term length and limit in their governing document. (Gov.uk/OSCR/NCVO).

There is the following guidance around length of terms:

The Charity Governance Code (5.7.4) recommends that if a trustee will serve more than a nine-year term, then this should be subject to rigorous review, and should be explained in the trustee’s annual report.

The NCVO also state that ‘limiting the term for trustees helps the board remain current and allows skills and knowledge to be reviewed over time’.

At Home-Start we strive for best practice, which includes good governance. Therefore, Home-Start UK recommends that Home-Starts should include the maximum number of terms that trustees can be re-elected for.

Home-Start UK’s current governing documents set trustee terms of office at three years - with trustees eligible for re-election for a further term of three years. In exceptional circumstances, with the approval of the Board, a trustee may be elected for a third and final term of three years. So our upper limit is nine years service.

The legal team who produced our recent model governing documents suggested that Home-Start Boards consider introducing a maximum upper limit of 12-years service (three four-year terms or four three-year terms).

If local Home-Start boards decide not to include the maximum number of terms and/or feel this will significantly affect their existing board members, then there is no legal requirement to do so.

Our templates are based on the expectation of setting a limit and so to not do so would be straying from the template documents that have been reviewed with legal advice. Therefore, any Trustee Board straying from the templates (in any way – not just on term length and limits) would need to consider whether they felt legal advice was necessary before finalising the document.

Any discussion and decision making around this issue should take place during board meetings and be recorded in the board minutes to document the process taken.

In line with the Charity Commission guidance, Home-Start UK would advise where a Board has long-standing trustees (say above 12 years) that they consider an explainer in the annual report as to the rationale.

The Charity Commission also recommend that where this is the case, charity Boards should carry out a governance review. To carry out a review, the board should consider the balance of skills, experience and knowledge, its diversity, how the board works together and relevant factors (Charity Governance Code 5.8.2). Numerous resources are available in the Governance Toolkit on @Home to support with reviewing trustee and board effectiveness.