

# Governance Guide

## September 2011



### Welcome to New Trustees!

Thank you for agreeing to become a Trustee of Concern Universal. We are sure that you will find it rewarding, challenging and stimulating. You are now part of a family that encompasses thousands of like-minded people across many countries.

Concern Universal is built upon the hard work and dedication of these people - its staff, partners, friends and supporters. Together we work hard to challenge poverty and inequality, directly touching the lives of around 1.5 million people a year.

Our Trustees play an essential role in enabling this invaluable work to take place:

- Learning from our past- Trustees are the custodians of Concern Universal's vision, mission and values- ensuring that the organisation remains true to its founding beliefs in all that it does.
- Working for our future- Trustees, working collaboratively with partners and the executive team, set the organisation's strategic direction, evaluate progress and strive to ensure that Concern Universal is as effective and relevant as it can be in our rapidly changing world.
- Delivering today- Trustees play a significant role in ensuring that the organisation is effectively managed, efficient and financially stable.

This Governance Guide is an important document which provides a comprehensive overview of the roles and responsibilities of our trustees. We should all ensure that we read, question and understand it- we will be a more effective governing body for it.

To be a Trustee of Concern Universal is to be part of a great network- of 10 country programmes, 60 local partner organisations and, most significantly, of the 1.5 million people who we work with every year. These are the people we exist to serve. It is both a great privilege and a tremendous responsibility.

**For people, for good**

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### 1. Introduction

Established in 1976, Concern Universal (CU) is a UK-based international development agency with ten country programmes in Africa, Asia and Latin America. CU is registered as a Charity and as a Company Limited by Guarantee. Therefore it is an incorporated charity with a corporate identity in law. CU Trustees have duties under company law, as well as charity law. Limited liability means that if the company is unable to pay its debts and is put into liquidation, the members will not be required to contribute more than they have agreed to pay towards settling its debts. The UK office is in Hereford.

CU has developed a framework for governance that is intended to help ensure that it remains effective, relevant and efficient in its work while being true to its principles, vision, mission and strategy. The following sections provide information about CU's governance including its governing documents as well as guidance on best practice in the charity sector.

## 2. Governance Guide

### 2.1 Vision, Mission, Values and Strategy

#### Vision

Our vision is a world where justice, dignity and respect for all prevails.

#### Mission

Concern Universal works in partnership to challenge poverty and inequality. We support practical actions that enable people to improve their lives and shape their own futures.

#### Values

##### Human Dignity

- ✓ We respect human dignity and value each person.
- ✓ We challenge inequality and stand up for justice.
- ✓ We value diversity and oppose discrimination of any kind.

##### Community Focus

- ✓ We are a decentralised organisation, driven by community needs.
- ✓ We work to understand and tackle the root causes of poverty and inequality, both local and global.
- ✓ We operate in an innovative and adaptable way, improvising when necessary.

##### Integrity

- ✓ We believe that positive and lasting change depends on the commitment, passion, courage and integrity of everyone involved.
- ✓ We are open, honest, reliable and accountable in all we do.
- ✓ We work to the highest professional standards, and use resources responsibly, efficiently and effectively.
- ✓ We learn from the people we work with, are willing to be self-critical, and continually strive to do better.

##### Partnership

- ✓ We work with a wide range of partners who share our vision for a better world.
- ✓ Partnership is at the heart of CU; we have deep respect for the long-term relationships and processes involved.
- ✓ We value the different strengths of our partners, and believe that working together as equals helps us all to be more effective.

## CONCERN UNIVERSAL: Vision, Mission, Values and Strategy 2009-2014

**Our vision** is a world where justice, dignity and respect prevail for all. **Our mission** is to work in partnership to challenge poverty and inequality. We support practical actions that enable people to improve their lives and shape their own futures.

### Strategic Objective 1:

#### Enabling Community-Led Development

We work together with people living in poverty to enable them to improve the quality of their lives.

We do this through practical work with individuals, communities and partners in 12 countries in Africa, Asia and Latin America, to:

- **Improve food security and support sustainable livelihoods** - through agricultural development, nurturing natural resources, and enabling access to microfinance and markets.
- **Improve health** - through access to safe water and sanitation, preventive healthcare, improved nutrition, and action on HIV and AIDS.
- **Improve respect for rights** - through empowerment of women, children and other vulnerable groups.
- **Improve skills** - through literacy circles, capacity building, and other training.
- **Reduce vulnerability** - through disaster risk reduction, integrating emergency preparedness and response work with long-term development.

### Strategic Objective 2:

#### Inspiring & Influencing Others

We amplify the voices of people living in poverty, enabling them to advocate for a fairer and more environmentally sustainable world.

Together, we aim to secure:

- **Changes to policy and practice** to help overcome barriers to development and open up new opportunities; and
- **More and better investment** in holistic community-led development approaches.

We do this in collaboration with others by:

- **Promoting more effective action by development agencies**, both official and non-governmental.
- **Calling for more socially, environmentally and economically responsible business practice** to achieve sustainable development.
- **Building a stronger global movement to combat poverty and inequality** – engaging individuals to build a fairer world together, through development education and activism.

Action Learning

Our values

Human Dignity  
Community Focus  
Integrity  
Partnership

Action Learning

Factors influencing development prospects, addressed by all our work: Environment and climate change \* Resource scarcity: food, water, land, fuel... \* Global business and markets \* Governance and corruption \* Conflict and violence \* HIV and AIDS \* Population growth

## 2.2 Good Governance

Charities are organisations set up for the benefit of the community. Charities receive their money in various ways, such as donations from the public, payment for services provided, government grants and legacies. To qualify as a charity, an organisation has to meet strict conditions about its overall purposes, also referred to as its objects. The organisation also has to be set up with a constitution or rules which meet certain conditions. These rules are usually referred to as a charity's governing document which is the legal document setting out the charity's purposes and how it is to be administered. In CU's case it is our Memorandum and Articles of Association. The memorandum of association shows the name of the company, where its registered office may be and what it may do – its objects. The articles of association provide the rules for the conduct of the company's internal affairs.

The Charity Commission (CC) is the independent regulator of charities in England and Wales. Their job as regulator is to work closely with charities to ensure that they are accountable, well run and meet their legal obligations in order to promote public trust and confidence. The Commission provides a wide range of advice and guidance to charities and their trustees, and can often help with problems. The Commission has wide powers to intervene in the affairs of a charity where things have gone wrong. Registered charities with an annual income over £10,000, like CU, must provide annual information and accounts to the CC.

In June 2005 "Good Governance – a Code for the Voluntary and Community Sector" was launched. This provides common standards and principles to which all charities should aspire to enable them to better help the people they were set up to benefit.

In the Code introduction, governance is defined as:

‘The systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation’.

In order to keep up to date and alert to change, the trustees schedule annual Away Days to complement ongoing meetings and review their roles and responsibilities. Also a CU trustee has participated in national level advisory groups to promote support to good governance.

### Helpful Sources of Information

- [www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)
- [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)
- [www.concern-universal.org](http://www.concern-universal.org)
- [www.governancehub.org.uk](http://www.governancehub.org.uk)
- Current CU Annual Report
- The Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005)
- Charity Commission booklet CC3 The Essential Trustee, Hallmarks of an Effective Charity CC60
- Companies House guide on the responsibilities of Directors

## 2.3 Trustee Role Description<sup>1</sup>

### Statutory duties

1. To ensure that the organisation complies with its governing document, charity law, company law and any other relevant legislation or regulations
2. To ensure that the organisation pursues its objects as defined in its governing document
3. To ensure the organisation uses its resources exclusively in pursuance of its objects: the organisation must not spend money on activities which are not included in its own objects, no matter how worthwhile or charitable those activities are
4. To contribute actively to the board of trustees' role in giving firm strategic direction to the organisation, setting overall policy, defining goals and setting targets and evaluating
5. performance against agreed targets
6. To safeguard the good name and values of the organisation.
7. To ensure the effective and efficient administration of the organisation
8. To ensure the financial stability of the organisation
9. To protect and manage the property of the charity and to ensure the proper investment of the charity's funds
10. To appoint the chief executive officer and monitor his/her performance
11. Trustees shall not be employees of Concern Universal and shall declare any potential conflicts of interest with Concern Universal annually.

### Other duties

In addition to the above statutory duties, each trustee should use any specific skills, knowledge or experience they have to help the Board reach sound decisions. This may involve:

- Scrutinising Board papers, reading reports and bulletins
- Leading discussions
- Focusing on key issues

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<sup>1</sup> This role description is adapted from the NCVO website and is reproduced with kind permission of NCVO.

- Providing guidance on new initiatives
- Other issues in which the trustee has special expertise

## 2.4 CU Board and Committees

### 2.4.1 General

#### Chair and Vice-Chair(s)

1. The Board shall elect from amongst its members one Trustee who will be Chairman of the Board and may also at its own discretion elect Trustee(s) to be Vice- Chair(s) to assist the Chair.
2. In addition to the duties of a Trustee the Chair is responsible for preparing the agenda for Board Meetings in consultation with the Executive Director and for chairing the Meeting. If the Chair is not available the responsibility may be transferred to a Vice-Chair or other Trustee with agreement of the Board.
3. The Chair and Vice-Chair(s) serve for a period of 3 years and may be re-elected for subsequent periods of 3 years. The Chair and Vice-Chair(s) will cease to hold these roles once they cease to be Trustees.
4. The Chair and Vice-Chair(s) should keep themselves abreast of matters of major significance and involve the Board whenever necessary at the appropriate time.

#### Delegation of powers

1. The Board may delegate its powers as permitted by the Articles of Association and Company Law.
2. Where powers are delegated to a Committee, it is possible for that Committee in turn to delegate such powers to a sub-Committee or to an officer as appropriate.
3. Sub-Committees of any Committee can, when requested by the Chair, meet together for the purpose of dealing with matters of urgency and have the responsibilities and duties of that Committee as mandated by the Board.

#### Meetings

1. Board Meetings are held four times a year, usually in February, June, September and November. The November meeting is held adjacent to the AGM. A maximum of two meetings may be conducted using telephone or video conferencing.
2. The meetings are attended by Trustees, Executive Director, Finance and Services Director, International Director and Minutes Secretary. The meeting is chaired by the Chair of Trustees, and if she/he is unavailable by a Vice Chair or other Trustee.
3. If, in the opinion of the Chair / Executive Director, discussion of particular items on the agenda would benefit from the attendance of other members of staff, external advisors or other stakeholders these may also attend for the items concerned..
4. The agenda and papers for each meeting are circulated at least 2 weeks before the meeting. The papers include reports from the Executive Director and Finance and Services Director together with such other papers as are appropriate to the agenda. A draft agenda is prepared as a result of consultation between the Chair and the Executive Director and circulated to all Board members for comments and additional items before finalisation.
5. Minutes of the meeting are taken by the Minutes Secretary, edited if necessary by the chair of the meeting and circulated to all Board members. Any further corrections or additions are agreed at the subsequent Board Meeting when the Minutes are formally approved by the Board and signed by the chair of the meeting.

#### Tenure

1. New Trustees are elected at the AGM or by the Board at a regular meeting, and serve for a period of 3 years. Thereafter, Trustees may be re-elected for one further term of three

years. Trustees may serve for further periods of 3 years only if recommended by the HR Committee (see 2.4.2) and agreed by the Board. Once a Trustee retires from the Board he/she may not stand for re-appointment before the lapse of a minimum of one year.

### Board Structure

1. There will be a number of Committees of the Board to help it carry out its day to day responsibilities. There will be a Finance Committee and a Human Resources (HR) Committee and such other Committees as the Board may deem appropriate at any time.
2. The close working relationship between the Chair of the Board, the Chairs of the various Committees and CU's staff is pivotal to the success of the structure. This will require the dedication of substantial time on the part of the various Chairpersons and Trustees in liaising and familiarising themselves with the work that falls within the responsibility of the particular Committee.
3. The Committees are mandated to work within specific parameters by the Board and are intended to (i) focus on specific elements of CU's work and enable proactive and in depth considerations of issues before drawing together recommendations for due consideration by the Board. Also to (ii) deal with relevant urgent matters swiftly and effectively.
4. In many instances it may not be necessary to actually have a face-to-face discussion, and members of the Board or a particular Committee may consider and approve specific points arising by email, telephone or fax. In such instances, it is important that due procedure is followed and that when deliberations take place, the Committee / Board be provided with a briefing of the discussion and outcomes in due course. This is within the context of overall priorities and normal feedback mechanisms to the Board. This point only relates to specific matters arising in the course of events between Board and Committee meetings; it does not apply to Board meetings which cannot be conducted by email, telephone or fax.
5. Trustees may invite people in an advisory role to attend Committee or Board deliberations.
6. CU staff members do not have voting rights at any meetings of the Board or its Committees.

### 2.4.2 The Finance Committee

#### Authority

1. The Committee is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
2. The Committee is authorized by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

#### Duties - General

1. To review in-country and organisational draft budgets and recommend the next year's budget to the Board.
2. To review and monitor income and expenditure.
3. To review special items brought forward for consideration, including specific items of expenditure (not foreseen within the budget) that may arise, and to bring these to the Board's attention for approval as necessary.
4. To receive and review reports from the Director.
5. To deal with all finance matters relating to the employment of CU staff in consultation with the Executive Director and key staff members, who have delegated powers of appointment. Specific aspects to do with remuneration will be dealt with by the HR Committee (refer to a separate section below for details on the HR Committee).

### Duties - Audit

1. The focus of relates to the audit of the organisation.
2. To consider the appointment of external auditors, the audit fee and any questions of resignation or dismissal of the auditors.
3. To discuss with the external auditors before the audit commences the nature and scope of the audit, and to ensure co-ordination where more than one audit firm is involved.
4. To review the annual financial statements before submission to the Board, and to report to the Board on these, focusing particularly on:
  - a. Any changes in accounting policies and practices
  - b. Major judgmental areas
  - c. Significant adjustments resulting from the audit
  - d. The going concern assumptions
  - e. Compliance with accounting standards
  - f. Compliance with legal requirements
5. To discuss problems and reservations arising from the interim and final audits, and any matters that the external auditors may wish to discuss, in the absence of staff if and as deemed necessary (reference point below regarding meeting of Trustees with the auditors without staff present as a normal practice).
6. To review the external auditors' management letter and management's response.
7. To review CU's statement on internal control systems prior to endorsement by the Board.
8. To consider the major findings of internal investigations and management's response.
9. To consider other topics as defined by the Board relating to the annual audit.

### Membership

1. The Finance Committee shall be appointed by the Board and shall comprise of the Chair of the Board, the Chair of the Finance Committee and 2 other Board members plus the Finance and Services Director, Executive Director, plus other Trustees/staff members as appropriate.

### Meetings

1. Meetings will be held in advance of each Board Meeting and as deemed necessary by the Board or the Chairman of the Finance Committee.
2. A representative of the external auditors may also attend.
3. The Committee shall meet with the external auditors without any member of management present at least once annually.
4. A Quorum shall comprise one Trustee.

## 2.4.3 Human Resources (HR) Committee

### Duties

1. To review and monitor HR approaches and policies within Concern Universal, including in the areas of: (a) rewards and remuneration; (b) training, development and talent management; (c) recruitment and retention of staff and succession planning; (d) employment conditions and (e) any other areas of HR as appropriate.
2. To report to the Board on the appropriateness and legal compliance of Concern Universal's HR approaches and policies, and to make recommendations and bring issues to the attention of the Board as required.
3. Lead on recruitment and appraisal of Trustees including the Chair and the Executive Director.
4. To consider the reappointment of Trustees who have served for 6 years and to make recommendations to the Board.

## Membership

1. The HR Committee shall be appointed by the Board and shall consist of the Chair of Trustees, the Chair of the HR Committee, such other Trustees as appropriate, the Executive Director and other members of management as may be appropriate.

## Frequency of meetings

1. Meetings will be held when deemed necessary by the Board or the Chairman of the HR Committee.
2. A quorum shall comprise one Trustee.

## 2.5 Timetable Of Returns

	Period end	Dead line	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Statutory Report and Accounts Preparation	31-Mar													
Statutory Annual Audit	31-Mar													
Accounts approval	31-Mar													
Filing of Accounts CU	31-Mar	31-Jan												
Companies House return - CU	09-Aug	09-Sep												
Filing of Accounts 'Concern'	28-Feb	28-Dec												
Companies House return - 'Concern'	09-Feb	09-Mar												
Annual Budget planning	31-Mar													
Annual Budget approval	31-Mar	31-Mar												
Charity Commission Return	31-Mar	31-Jan												
AGM	N/A													

## 2.6 List Of Trustees

Name	Date Appointed
Nicola Mushet	29/11/2003
Dan Bishop	16/05/1998
Peter Ayres	05/07/2008
Chikondi Mpokosa	05/07/2008
Susan Barlow	01/11/2009
Oley Dibba-Wadda	01/11/2009
Lucy Weston	17/08/2010
Joelle Plumerel	05/10/2010
Tracey Sherlock	17/11/2010
Fiona Taylor	17/11/2010
Philip Tamuno	17/11/2010

## 2.7 Trustee Skills Audit (November 2010)

	Service	Leadership and Management	Finance	Marketing, Communications and Fundraising	Legal	HR	Experience in the role of Chair or Co-ordinator	Programme implementation; Monitoring, Evaluating, Impact	Advocacy; Good Business, Global Movement, Effective Development	Microfinance	Research
Oley Dibba-Wadda	Y	Y	Y			Y		Y	Y		Y
Peter Ayres	Y	Y	Y				Y				
Dan Bishop	Y	Y	Y	Y			Y	Y		Y	
Chikondi Mpokosa	Y	Y		Y				Y	Y		Y
Nicola Mushet	Y	Y					Y	Y			
Susan Barlow	Y	Y	Y	Y							
Lucy Weston		Y	Y	Y		Y		Y	Y	Y	
Joelle Plumerel	Y	Y						Y			Some
Fiona Taylor		Y		Y					Y		
Phil Tamuno	Y	Y						Y	Y		Y
Tracey Sherlock	Y	Y				Y		Y	Y		Y

## 2.8 Member Role Description

### Statutory duties

1. The Articles of Association of CU provide for a maximum of 30 Members. This maximum number can be increased at any time by the Trustees.
2. Members have the right to attend and vote at General Meetings (AGM's and EGM's)
3. Members can call an Extraordinary General Meeting to discuss any matters related to the business of CU.
4. A person shall cease to be a Member if he gives notice of his resignation or is removed by a majority of Members.

### Other duties

In addition to the Statutory Rights and Obligations the Trustees have asked that the Statutory Members take on additional governance obligations. Hence:

1. The Trustees consider that the principal role of a Member is to act as a "Vision Holder". This will require them to take an interest in the activities of CU so that they can actively help to ensure that the business of CU stays true to its Vision, Mission and Values.

2. Members will need to be familiar with and sympathetic to the work and approach of CU and will generally have had an association with CU for a reasonable period of time. The Trustees will take this into account when proposing new candidates.
3. Members will be expected to attend General Meetings and will be encouraged to participate in CU activities in other ways.
4. CU will provide Members with regular updates of its activities.
5. For any matter that is likely to materially change the Vision, Mission or Values of CU appropriate briefing papers will be distributed and the views of Members sought.
6. It is intended that all Trustees are Members.
7. Members shall not be employees of Concern Universal.
8. Members who cease to be able to take an active part in CU should consider whether they should resign their Membership, although it is hoped that they will continue to be interested in the organization.

## 2.9 List of Members

Members	Role
Ben Tucker	Former Trustee
Chikondi Mpokosa	Trustee
Dan Bishop	Trustee
David Hitchiner	Legal Advisor
Don McLeish	Honorary President
Fiona Taylor	Trustee
Joan McGee	Former Trustee
Joelle Plumerel	Trustee
John Carvell	
Lucy Weston	Trustee
Mike Lloyd	Former Trustee
Nicola Mushet	Trustee
Oley Dibba-Wadda	Trustee
Peter Ayres	Trustee
Philip Tamuno	Trustee
Rachel Shirley	Former Trustee
Rosemary Collie	Former Trustee
Rosemary McGee	
Susan Barlow	Trustee
Tracey Deal	Former Trustee
Tracey Sherlock	Trustee
Veronica Carvell	

## 2.10 Executive Director's Terms Of Reference

- Based at: CU Hereford Office
- Responsible to: Chair of CU Board
- Responsible for: The executive management of Concern Universal with direct line management responsibility for the International Directors, Finance Manager and Director of Fundraising

### Context:

- Established in 1976, Concern Universal (CU) is a UK-based international development agency with ten country programmes, {Bangladesh, Mozambique, Malawi, Kenya, Nigeria, Ghana, Guinea, The Gambia, Colombia and Brazil} plus cross border initiatives extending to a total of 13 countries in Africa, Asia and Latin America. CU works in partnership with Children in Crossfire and others.

- CU has a substantial number of key relationships organisationally and the nurturing of these is integral to the future development of the organisation; hence this forms an important backdrop for the Executive Director's role.
- In the mid 1990s, having successfully begun to establish a series of effective development programmes overseas, it was deemed important, in the wider context of the organisation addressing its mission, to develop a stronger organisational foundation, profile and support base at a European level. Accordingly this is also a significant facet of the overall role.

#### Major responsibilities:

- To significantly strengthen the contribution of the organisation in all its facets, not for the benefit of the organisation itself but for sake of the people it exists to serve.
- To provide operational leadership to CU in accordance with mission, strategy and values adopted by the Board of Trustees.
- To ensure that the contribution of Board members, volunteers, staff and other stakeholders is managed effectively, efficiently and sensitively so that the organisation's work is undertaken in a manner consistent with CU's mission, strategy and values.

#### Key themes:

- To operate within CU's policy, strategy and structures in relation to all activities.
- To work closely with the core team, especially the International Directors, Finance Manager and Director of Fundraising.
- Guided by the Board, to preserve the integrity and nurture the values, spirit, commitment and capacity of the organisation in order to solidly improve the quality and scope of its practical activities to reduce poverty and injustice amongst the communities that CU is privileged to work with.
- To strengthen CU's roots and constituency in the UK and Ireland through significantly increasing numbers of supporters.
- To improve CU's financial position, through considerably developing CU's fundraising performance, plus the diversity and strength of all its income sources.
- To further shape and enhance CU's approach to its work and the depth and strength of its relationships with implementing and funding partners.
- To make a wider impact organisationally in terms of a positive influence on development activity, through an increasing external appreciation of the quality, nature and distinctiveness of CU's contribution.

#### Specific objectives:

Work with the Chair to ensure that the Board functions effectively by:

- Jointly identifying the skills and experience required by the Board.
- Assisting in the search for potential new members to join the Board and in the search for new members of CU.
- Providing clear and concise information to Board members through structured Agendas, briefing papers, policy proposals and progress reports which focus members on the outcomes and impact of CU's work (based on CU's overall direction and strategy), rather than the operational process.
- Arranging for support to individual Board members as necessary, from induction to the Board onwards.
- Establishing a relationship with each Board member so that they have the opportunity to understand the issues with which CU is dealing and can therefore maximise the effectiveness of their personal contribution
- Assisting Board members to further develop an appropriate governance and management approach for CU that properly distinguishes the roles of the Board and staff.

Ensure that CU acts strategically by:

- Working closely with the Chair, the Board and the core management team to ensure that there is an ongoing appreciation of CU's mission, strategy and values and that effective action is taking place towards achieving this.
- Ensuring that people's efforts are effectively directed within a strategic framework agreed by CU's Board and that specific ongoing tasks are approved as necessary by the Board and its Committees as part of an evolving strategic development process.
- Ensuring that an annual budget and rolling five year financial plan is prepared and followed through.
- Ensure that the boundaries of management authority are clearly defined by:
- Working closely with the Chair of the Board and ensuring ongoing appreciation of the evolution of each other's roles as the organisation develops.
- Working with the Finance team to ensure a financial framework for Board endorsement within which management can be given freedom to manage CU's operations.
- Working with staff, partners and other stakeholders to ensure the development of a suitable process to assess the impact of the organisation's work for Board endorsement.
- Analysing the particular risks and other factors inherent within CU's operational activities and working with the Chair in identifying and following through on areas in which appropriate Board involvement should be sought, thus ensuring that the Board is duly consulted and involved in those areas which fall outside the orbit of management's authority.

Ensure that CU is led and managed effectively by:

- Minimising bureaucracy and developing working approaches and guidelines for CU's staff and volunteers which ensure that people are selected, trained, developed, rewarded and reviewed in a manner consistent with CU's values and in a way which enables the organisation to move forward in an effective and flexible way.
- Providing motivation and inspiration to staff and volunteers, keeping people appropriately involved and aware of developments regarding key decisions that affect them.
- Creating a mutually supportive core management team in which individual roles develop in an effective way and where a sense of responsibility for key decisions and policies is proactively nurtured.
- Developing a spirit, working approach and appropriate pace of effective communication that fosters excellent communication with external partners and stakeholders.
- Keep abreast and contribute towards developments in the wider charity/NGO sector.

### Person profile:

Education, skills and training

- Essential: Broad education, excellent verbal and written communication skills, good organisational and administration skills, fundraising training and/or experience, ICT literacy
- Desirable: Management/administration qualifications.

Experience:

- Essential: Experience in convincing people of the merits of supporting development work in developing countries, or a similar cause. Ability to inspire people about development. Experience of communicating persuasively and informatively to range of audiences about challenging issues. Experience of developing effective relationships with a range of partners and stakeholders. Proven track record of being able to perform satisfactorily in a pressurised environment, ability to work effectively with a wide range of people internally

and externally to organisation, good team working and team building experience, experience of overseas development work. Experience of juggling multiple priorities and effective prioritisation of day-to-day workload. Proven track record of securing funds from a wide range of sources.

- Desirable: Broader experience of leadership and management beyond voluntary/NGO sector. Extensive international experience of living and working with communities in developing countries, particularly in a development or relief context.

## 2.11 TRUSTEES' TERMS OF REFERENCE

The Terms of Reference set out the principles of behaviour expected of CU Trustees in order to maintain the highest standards of integrity and stewardship to ensure that the organisation is effective, open and accountable, and to ensure a good working relationship with the Executive Director and other CU staff.

### General

Further to those duties and responsibilities set out in the Charity Commission and Companies House guidance documents (CC3 The Essential Trustee Feb 2007 and Directors and Secretaries Guide March 2006) available from their websites it is useful to underscore and add the following:

1. The primary duty of the Trustees is to carry out the purposes of the charity.
2. CU Trustees will act with probity, due prudence and should take and consider professional advice on issues where they do not have expertise themselves.
3. CU will administer the organisation and all its assets in the interest of current, potential and future stakeholders – the communities and partners that the organisation works with and serves, supporters, donors, staff and Trustees.
4. The CU Board of Trustees hold themselves accountable to the organisation's stakeholders, including the public, for the Board of Trustees' decisions, the performance of the Board of Trustees and the performance of the organisation.
5. Except where legally authorized, Trustees must not gain financial or other material benefit for themselves, their families or their friends from their Trusteeship of the charity. Trustees should seek to avoid such conflicts of interest and in some cases conflicts of interest may be a bar to a person acting as a Trustee. The Board of Trustees should ensure that there are clear written policies on claiming of expenses by Trustees.
6. A Trustee of CU will not place themselves under any financial or other obligation to outside individual organisations that might influence their performance of official duties.
7. CU Trustees will conduct themselves in a manner that enhances the reputation of the organisation, with full respect and openness to the fact that all people - no matter how hard working, committed or skilled - cannot 100% avoid making mistakes. Where Trustees are aware of anything that could be damaging to the reputation of the organisation or to its staff individually or collectively, this will be raised immediately with the Board and the Executive Director.
8. CU Trustees will make decisions together and take joint responsibility for them. The extent to which any one Trustee, a Committee or small group of Trustees is empowered to speak for or take action on behalf of the organisation of the Board must be followed through with due process at all times and without undue delay.
9. Trustees accept that in fulfilling their role as a Trustee of CU, their responsibility must be solely to CU and they will focus the expertise they bring from other spheres of their lives for the benefit of CU.
10. CU has an Equal Opportunities Policy, which Trustees are expected to be familiar with and to support. It is a working document which the organisation strives to ensure is implemented in practical terms, and training is given where appropriate. CU Trustees are expected to work in a manner consistent with the principle of equal opportunities.

11. CU has a responsibility towards all the stakeholders that the organisation works with, particularly the partners and communities it serves. Against this backdrop, the Board of CU has relationships with various partner organisations that it works closely with to facilitate its work.

#### Additional Responsibilities of Trustees

1. Assisted by the staff, CU Trustees will formulate and regularly review the organisation's vision, values, policies and strategy.
2. CU Trustees will ensure that the organisation complies with regulatory and statutory requirements and will exercise overall control over the organisation's financial affairs, assisted by the staff and other professional advisers, as necessary. In addition to compliance with statutory requirements, CU Trustees have a commitment to the development and implementation of good practice.
3. CU Trustees need to be familiar with and keep under regular review the rules and constitution of the organisation. Any changes must be made in accordance with constitutional and legal requirements.
4. In order to nurture a working knowledge of the organisation and to give themselves credibility, Trustees should maintain links and keep in touch with the organisation through regular contacts or visits, such visits to be organized by arrangement with management staff, unless there is good reason to believe that the Executive Director or staff's actions are threatening the probity of the organisation.

#### Trustee Recruitment, Selection and Induction Process

1. Consistent with good practice, CU strives to ensure that its Trustee body and the systems and practices adopted are developed to meet the challenges faced. Accordingly, care is given to the issue of Trustee recruitment, selection and induction within the context of wider advice given by the Charity Commission. CU is committed to ensuring that those people who are appointed as Trustees have the requisite integrity and that they will act wholly in the interests of CU and without regard to their personal interests.
2. The recruitment, selection and subsequent induction of a new Trustee into CU is an opportunity to improve overall effectiveness – and hence represents an important milestone. Where all three elements work properly it can lead to CU having a more a balanced, well-informed and effective Trustee body resulting in a better-governed, more effective organisation.
3. To help guide the recruitment and selection process, Trustees are aware of skills audit outcomes in guiding their decisions ( Appendix 1.1). Consideration of 'skill' needs will be undertaken regularly and when recruiting additional Trustees.
4. A structured induction process for new Trustees will typically involve a combination of provision of key documents (including this document) plus communications and face-to-face discussions based on this with both Trustee and staff representatives especially the Chair and Executive Director. The key element to the structured induction process of new Trustees is to ensure that they fully comprehend the charity's mission, principles and strategy.
5. Trustees should note that it is a criminal offence to serve as a Trustee if disqualified (reference CC3, p8).
6. Training will be provided to new and existing Trustees if required.
7. New trustees are elected at the AGM or by the Board at a regular meeting, and serve for a period of 3 years. Thereafter, Trustees may be re-elected for one further term of three years. A trustee who retires at the sixth annual general meeting following their initial appointment may not stand for re-appointment before the lapse of a minimum of one year.

## Meetings of the Board

1. Requirements relating to the constitution of the Board and proceedings of the Board are set out in CU's Articles of Association (Section 4).
2. CU Trustees are expected to attend at least three meetings a year (inclusive of AGM) and to participate in telephone and email discussions as necessary. Dates for meetings are agreed with Trustees in the preceding year at the AGM. Some Trustees may also participate in Committee meetings and efficient and effective follow through to the Board of Committee discussions is expected.
3. A set of Board papers and an agenda is sent out to all Trustees, by the Executive Director who is Secretary to the Board, at least one week before each meeting to allow time for these to be read in advance. Trustees are expected to prepare for and contribute fully at meetings.
4. CU Trustees should bring a fair and open-minded view to all discussions of the Board and should ensure that all decisions are made in the organisation's best interests.
5. Trustees are expected to foresee and avoid conflicts of interest. Accordingly, trustees and senior staff are requested to declare their interests and any gifts or hospitality received in connection with their role in Concern Universal. A declaration of interests form is provided for this purpose, listing the types of interest you should declare. The declaration of interests will be updated at least annually and also when any changes occur. Interests will be recorded on the charity's register of interests, which will be maintained by the Company Secretary. The register will be accessible by the Chair of the Board of Trustees and the Company Secretary.
6. If a Trustee or senior staff member faces a conflict of interest, it should be declared at the earliest opportunity and they should withdraw from any subsequent discussion. In the event of the board having to decide upon a question in which a trustee or member of staff has an interest, all decisions will be made by vote, with a simple majority required. A quorum must be present for the discussion and decision; interested parties will not be counted when deciding whether the meeting is quorate. Interested board members may not vote on matters affecting their own interests. All decisions under a conflict of interest will be recorded by [the Company Secretary] and reported in the minutes of the interest. You may, however, participate in discussions from which you may indirectly benefit, for example where the benefits are universal to all users, or where your benefit is minimal. If you fail to declare an interest that is known to the Chair of the board of Trustees, the Chair will declare that interest. If the matter is deemed serious enough by the Trustees, the Trustee concerned must resign from the Board altogether.
7. Trustees cannot benefit from the organisation. Any transaction under which the Trustee will benefit either directly or indirectly must have proper legal authority and, where applicable, must follow the official internal procedures of the organisation.
8. Confidential information or material provided to, or discussed at a Board meeting, must remain confidential and within the confines of the Board, and must not be discussed outside the Trustee body, which includes, by extension, any situations in which there is a significant risk of conflict of interest.
9. Trustees have responsibility to develop and ensure the maintenance of a properly constituted, balanced and competent Board, including clear procedures for selection, election, training, retirement and, if necessary, removal of Trustees, and to ensure arrangements are followed in relation to honorary officers.
10. In a non-voting capacity, heads of key teams at a CU staff level – Executive Director, Finance Manager, International Directors (if in country) and the Fundraising Director – should attend Board meetings. However, from time to time other staff may be required to attend meetings to make presentations and give input or feedback about various elements of CU's work. In addition, Trustees may require staff member(s) to absent themselves from a particular discussion at the discretion of the Trustees.

## Staff

1. Trustees must understand, accept and respect the difference in roles between the Board, the Executive Director plus other staff of CU, ensuring that honorary officers, the Board, Executive Director and staff team work effectively and cohesively for the benefit of the organisation, and develop a mutually supportive and loyal relationship where communication is valued over bureaucracy.
2. Policies and strategies agreed by the Trustees should be expressed in unambiguous and practical terms, so that the Executive Director and staff responsible for implementing those policies are clear on agreed policies, strategies and actions.
3. Trustees must ensure that there is a clear understanding of the scope of authority delegated to the Executive Director.
4. Having given the Executive Director and staff delegated authority, Trustees should be careful – individually and collectively – not to undermine it by word or action. In this regard, Trustees should be fully aware of the level of responsibility that the organisation places in its Country Directors and of the relatively de-centralised structure and nature of the organisation.
5. Trustees should act fairly and in accordance with good employment and equal opportunity principles in making decisions affecting the recruitment, appointment, professional development, appraisal, remuneration and discipline of all staff. Such decisions will be consistent with the organisation's procedures, updated as necessary and considered and approved by the Board.
6. Trustees need to provide a key role and a policy and governance level to ensure that the values, spirit and approach of the organisation is respected and nurtured appropriately throughout CU.

## 2.12 Memorandum And Articles Of Association

**THE COMPANIES ACT 1948 TO 1967**

**COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL**

**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION**

**OF**

**CONCERN UNIVERSAL**

Incorporated the 30<sup>th</sup> day of September 1976  
CHETHAMS  
23 Bentinck Street  
London W.1.

**THE COMPANIES ACTS 1948 TO 1967**

**COMPANY LIMITED BY GUARANTEE AND NOT  
HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION**  
Of CONCERN UNIVERSAL

1. The name of the Company (hereinafter called "the Fund") is "Concern Universal".
2. The registered office of the Fund will be situated in England.
3. The objects of the Fund shall be to further any purpose or purposes recognised by the law of England as charitable and for the purposes only of attaining and in such manner and to such extent as shall further the attainment of such object to exercise all or any of the following powers:
  - (a) to apply the capital and income of the Fund or either of them to or for such charitable purposes as the Fund shall from time to time select and additional thereto or as the Fund may from time to time determine as an alternative thereto or for the charitable purposes of such one or more of the bodies, associations and organisations being charitable, which the Fund shall select;
  - (b) to provide, endow, furnish and fit out with all necessary furniture and other equipment, and maintain and manage such buildings and other premises as shall from time to time be required for the purposes of the Fund;
  - (c) to employ all such officers and servants as shall be required for the purposes of the Fund;
  - (d) to purchase or otherwise acquire lands;
  - (e) to accept subscriptions and donations (whether of real or personal estate) and devises and bequeaths for all and any of the purposes aforesaid and to sell and dispose of, to lease and accept surrenders of leases of and manage all real estate (including leaseholds) received and not required to be or capable of being occupied for the purposes of the Fund and generally to manage, invest and expend all monies belonging to the Fund;
  - (f) to borrow, raise and secure the payment of money by mortgage or other instruments, charging all or any of the property and assets of the Fund (both present and future) and to issue any securities which the Fund has power to issue by way of security or indemnity to any person whom the Fund has agreed or is bound and willing to indemnify, or in satisfaction of, or as security for any liability undertaken by it in furtherance of its main object as aforesaid, and for such considerations as shall further the objects of the Fund;
  - (g) to appoint any Trustees or Agents to hold, administer and manage on behalf of the Fund all or any part of the assets of the Fund on such terms as remuneration or otherwise as shall be determined from time to time;
  - (h) to establish, promote, co-operate with, become a member of, act as or appoint Trustees, agents nominees or delegates for control, manage and superintend any charitable institutions or bodies, incorporated or unincorporated, the objects of which are wholly or in part similar to those of the Fund;
  - (i) to lend, invest and deal with the monies held by the Fund and not immediately required for its purposes in or upon such investments, securities or property as shall be determined from time to time, subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law;
  - (j) to provide indemnity insurance to cover the liability of the members of the Board of Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Fund: provided that any such insurance shall not extend to any claim arising from any act or omission which the Board of Directors knew to be a breach of trust or breach of duty or which was committed by the members of the Board of Directors in reckless disregard or whether it was a breach of trust or breach of duty or not and provide also that any such insurance shall not extend to the cost of an unsuccessful defence to a criminal prosecution brought against the • members of the Board of Directors in their capacity as directors of the Fund.
  - (k) to do all such other things as are necessary to the attainment of the above objects.

**PROVIDED THAT:**

1. In case the Fund shall take or hold any property which may be subject to any trusts, the Fund shall only deal with or invest the same in such a manner as allowed by law, having regard to such charitable trusts;
2. The Fund's objects shall not extend to the regulation of relations between workers and employers organisations of workers and organisations of employers;
3. In case the Fund shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales the Fund shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the board of Directors of the Fund shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults and for the due administration of such property in the same manner and to the same extent as they would as such board have no incorporation had been effected, and the incorporation of the Fund shall not diminish or impair any control or authority exercisable by the Chancery Division, the Charity Commissioners, or the Secretary of State for Education

and Science over such board but they shall as regards any such property be subject jointly and separately to such control or authority as if the Fund were not incorporated.

4. The income and property of the Fund, whencesoever derived, shall be applied solely towards the promotion of the objects of the Fund as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to members of the Fund and no member of its Board of Directors shall be appointed to any office of the Fund paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Fund.

**PROVIDED THAT** nothing herein shall prevent any payment in good faith by the Fund.

- (a) of reasonable and proper remuneration to any member, officer or servant of the Fund (not being a member of its Board of Directors) for any services rendered to the Fund;
  - (b) of interest on money lent by any member of the Fund or of its Board of Directors at a rate per annum not exceeding 2 per cent less than the minimum lending rate prescribed for the time being by the Bank of England or 3 per cent whichever is the greater;
  - (c) of reasonable and proper rent for premises demised or let by any member of the Fund or of its Board of Directors;
  - (d) of fees, remuneration or other benefits in money or money's worth to a company of which a member of the Board of Directors may be a member holding not more than 1/100<sup>th</sup> part of the capital of that Fund and;
  - (e) to any member of its Board of Directors of out-of-pocket expenses.
  - (f) of any premium in respect of any indemnity insurance to cover the liability of the members of the Board of Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Fund: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Board of Directors knew to be a breach of trust or breach of duty or which was committed by the members of the Board of Directors in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the Members of the Board of Directors in their capacity as directors of the Fund.
4. The liability of the members is limited.
  5. Every member of the Fund undertakes to contribute to the assets of the Fund, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.
  6. If upon the winding up or dissolution of the Fund there remains, after the satisfaction of all its debts and liabilities any property whatsoever the same shall not be paid to or distributed among the members of the Fund, but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the Fund, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Fund under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the members of the Fund at or before the time of dissolution, and if and so far as effect cannot be given to such provisions, then to some charitable object.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association.

Names, Addresses and Descriptions of Subscribers

**NB The original signatories were Mr Raymond Kennedy and Mr Brian Pearce on 1<sup>st</sup> September 1976. Their names, addresses, descriptions and signatures, witnessed by Miss Maeve Mc Dermitt, are available to view in the photocopy of this document held at CU's office in Hereford.**

**THE COMPANIES ACT 1948 TO 1967**

**COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL**

## **NEW ARTICLES OF ASSOCIATION**

**OF**

## **CONCERN UNIVERSAL**

Adopted by Special Resolution of the Company dated 29<sup>th</sup> November 2003

**Registered Charity No. 272465**

### **Interpretation**

1. In these Articles the words standing in the first column below shall bear the meaning set opposite to them respectively in the second column, if not inconsistent with the subject or context:

<b>"Act"</b>	The Companies Act 1985 as amended by the Companies Act 1989
<b>"Articles"</b>	These Articles of Association of the Company
<b>"Auditors"</b>	The auditors for the time being appointed by the Company
<b>"Board"</b>	The Board of Directors for the time being of the Company (and the "Director" has a corresponding meaning)
<b>"Charities Legislation"</b>	The Charities Acts 1992 and 1993, the Charities (Accounts and Reports) Regulations 1995, and any statutory modification thereof or addition thereto from time to time
<b>"Clear Days"</b>	In relation to a period of notice means the period excluding the day on which the notice is given or deemed to be given and the day for which it is given or on which it is to take effect
<b>"Company"</b>	The above-named Company
<b>"In writing"</b>	Written, printed or any other mode of representing or reproducing words in a visible form or partly one and partly another
<b>"Month"</b>	Calendar month
<b>"Office"</b>	The registered office of the Company
<b>"SORP"</b>	The Statement of Recommended Practice issued by the Charity Commission and any modification or replacement thereof from time to time
<b>"United Kingdom"</b>	Great Britain and Northern Ireland

1.1 Words importing the singular number only shall include the plural number, and vice versa. Words importing the masculine gender only shall include the feminine gender, and words importing persons shall include corporations.

1.2 Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which the Articles become binding on the Company shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.

### **MEMBERS**

1. The maximum number of members with which the Company proposes to be registered is 30, but the Directors may from time to time register an increase in such number.
2. Every member of the Company shall or, being a corporation, shall procure that its duly authorised representative shall either sign a written consent to become a member or sign the register of members on becoming a member.
3. The subscribers to the Memorandum of Association and such other persons as the Directors shall admit to membership in accordance with the provisions of the Articles shall be the members of the Company, subject to the provisions of Article 6.
4. No person shall be admitted as a member of the Company unless his application is first approved by the Directors which shall have absolute discretion as to the admission of any person as a member.
5. A person shall forthwith cease to be a member of the Company (provided always that at least one member of the Company remains on the Register of Members thereafter):
  - 36.1. if he is removed by notice in writing to the Company signed by a majority of the members of the Company, or

- 36.2. if by notice in writing to the Company he resigns his membership, or
- 36.3. if he becomes bankrupt or makes any arrangement or composition with his creditors generally, or the member being a corporation, an order is made or resolution is passed for its winding up or administration or distribution or it has a receiver appointed over all or some part of its assets, or
- 36.4. if he becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs, or
- 36.5. if he ceases to hold office as a Director by reason of any order made under the Company Directors Disqualification Act 1986, or by virtue of any provision of the Charities Legislation, or
- 36.6. if he is removed from office as a Director by a resolution duly passed pursuant to Section 303 of the Act.

## **GENERAL MEETINGS**

6. The Company shall hold a General Meeting in every calendar year as its Annual General Meeting at such time and place as may be determined by the Directors, and shall specify the meeting as such in the notices calling it, provided that every Annual General Meeting except the first shall be held not more than fifteen months after the holding of the last preceding Annual General Meeting, and that so long as the Company holds its first Annual General Meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation or in the following year.
7. All General Meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.
8. The Directors may whenever they think fit convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on the requisition of members of the Company pursuant to the provisions of the Act.
9. At least twenty-one clear days' notice in writing of every Annual General Meeting and of every meeting convened to pass a Special Resolution, and at least fourteen clear days' notice in writing of every other General Meeting, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of that business, shall be given to such persons (including the Auditors) as are under these Articles or under the Act entitled to receive such notices from the Company, but with the consent of (in the case of an Annual General Meeting) all members and (in the case of any other General Meeting) members having at least 95% of the voting rights at the meeting intended to be convened and in either case having the right to attend and vote thereat, a meeting may be convened by such notice as those members may think fit.
10. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice thereof shall not invalidate any resolutions passed. or proceeding had, at that meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

11. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, including the consideration of the accounts and the reports of the Directors and of the Auditors, the election of directors in place of those retiring and the appointment of. and the fixing of the remuneration of, the Auditors.
12. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business- Save as herein otherwise provided three persons entitled to vote upon the business to be transacted, each being a member of the Company or a proxy for a member of the Company or a duly authorised representative of a member organisation, or one tenth of the total number of such persons for the time being, whichever is the greater, shall be a quorum.
13. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Directors may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum.
14. The Chairman of the Board shall preside as chairman at every General Meeting at which he shall be present, but if he is not present within fifteen minutes after the time appointed for holding a meeting, or is unwilling to preside, the Directors present shall choose one of their number to preside at that meeting.
15. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

16. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the chairman or by any member present in each case in person or by proxy or by its duly authorised representative, and representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting. Unless a poll be so demanded a declaration by the Chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution, The demand for a poll may be withdrawn, before the poll is taken.
17. Subject to the provisions of Article 17, if a poll be demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
18. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.
19. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman shall be entitled to a second or casting vote:
20. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

### **VOTES OF MEMBERS**

21. Subject as hereinafter provided, every member shall have one vote.
22. Save as herein expressly provided, no person other than a member duly registered who has paid all moneys then due to the Company, or such member being a corporation, its duly authorised representative, shall be entitled to vote on any question at any General Meeting.
23. Votes may be given on a poll either personally or by proxy.
24. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing.
25. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
26. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or revocation of the proxy or of the authority Under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
27. Any instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:

I/We  
of  
a member of CONCERN UNIVERSAL  
hereby appoint  
of  
and failing  
of  
to vote for me/us and on my/our behalf at the  
[Annual or Extraordinary, or adjourned, as  
the case may be] General meeting of the  
Company to be held on the                      day of  
and at every adjournment thereof.  
As witness my hand/the hand of our duly  
appointed representative  
this                      day of                      2003"

28. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
29. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a General Meeting at which he/it was present shall be as effectual as if it had been passed at a General Meeting duly convened and held and may consist of several instruments in

like form each executed by or on behalf of one or more members. Digital signatures and faxed signatures will suffice for the purposes of this Article.

30. Any person entitled to be present at a meeting of the members may participate in a meeting of the members by means of a conference telephone or other facility whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting. Such a meeting shall be deemed to take place where it is convened to be held or (if no member is present in that place) where the largest group of those participating is assembled, or if there is no such group, where the Chairman is. The word "meeting" in these Articles shall be construed accordingly.

## **THE BOARD**

31. The Board shall consist of not less than three but (unless otherwise determined by Ordinary Resolution of the Company) not more than eleven persons appointed. The Board may unanimously resolve to increase the maximum number of Directors from time to time. Any such additional Directors shall be appointed and removed pursuant Article 42 and 43.

## **POWERS OF THE BOARD**

32. The business of the Company shall be managed by the Board who may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by statute or by the Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to:
- a) the provisions of the Articles;
  - b) the provisions of the statutes for the time being in force and affecting the Company;
- such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting provided that no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which Would have been valid if such regulation had not been made; and
- c) the requirement that the Board does not do or permit any act or omission which would prejudice the charitable status of the Company in law.
33. The Board for the time being may act notwithstanding any vacancy in their number but, if the number of Directors is less than the number fixed as the quorum the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a General Meeting.
34. In addition and without prejudice to any other powers hereby or by law conferred on the Board the Board may from time to time and for such period and to such extent and generally on such terms as the Board shall think fit delegate to any Director or Directors and/or any employee of the Company employed in or in connection with the management, administration, organisation and conduct of the affairs of the Company any powers and duties of the Board as may be reasonable.
35. the Board may appoint as the investment manager for the Company a person who they are satisfied after inquiry is a proper and competent person to act in that capacity and who is an authorised or an exempt person within the meaning of the Financial services and Markets Act 2000 otherwise than exempted by virtue of paragraphs 44 end 45 of the Financial Services and Markets Act 2000 (Exemption) Order 2001. The Board may delegate to an investment manager so appointed power at his discretion to buy and sell investments for the Company in accordance with the investment policy laid down by the Board from time to time.
36. Provided that where the Board make any such delegation they shall:
- 36.1. inform the investment manager in writing of the extent of the Company's investment powers and the terms of the delegation;
  - 36.2. lay down a detailed investment policy for the Company and immediately inform the investment manager in writing of it and of any changes to it;
  - 36.3. ensure that they are kept informed of. and review on a regular basis, the performance of their investment portfolio managed by the investment manager and on the exercise by him of his delegated authority;
  - 36.4. take all reasonable care to ensure that the investment manager complies with the terms of the delegated authority; and
  - 36.5. pay such reasonable and proper remuneration to the investment manager and agree such proper terms as to notice and other matters as the Board shall decide provided that such remuneration may include commission fees and/or expenses earned by the investment manager if and only to the extent that such commission fees and/or expenses are disclosed to the Board.
37. The Board may:
- 37.1 make such arrangements as they think fit for any investments of the Company or Income from those investments to be held by a corporate body as the Company's nominee; and

- 37.2 pay reasonable and proper remuneration to any corporate body acting as the Company's nominee in pursuance of this clause.
38. Each Director may be repaid out of the funds of the Company such reasonable out-of-pocket expenses as the Board shall from time to time determine in respect of his or her attendance at meetings of the Board or on behalf of the affairs of the Company but save as otherwise provided in the Articles and in clause 4 of the Memorandum no member of the Company nor any Director shall receive any remuneration from the Company.

### **APPOINTMENT OF DIRECTORS**

39. No person shall be appointed or reappointed a Director at any General Meeting unless:
- 39.1. he is recommended by the Directors; or
  - 39.2. not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's Register of Directors together with a notice executed by that person of his willingness to be appointed or reappointed.
40. No person may be appointed as a Director:
- 40.1. unless he has attained the age of 18 years; or
  - 40.2. in circumstances such that, had he already been a Director, he would have been disqualified from acting under the provisions of Article 45.
  - 40.3. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a General Meeting notice shall be given to all persons who are entitled to receive notice of the meeting of any person who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's Register of Directors.
  - 40.4. Save as otherwise provided in the Articles the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine when any additional Directors are to retire.
  - 40.5. the Directors may appoint a person or persons to be a Director or Directors either to fill a vacancy or as an additional Director or to remove from office any Director howsoever appointed provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors.
  - 40.6. Save as otherwise provided in the Articles a Director who retires at an Annual General Meeting may, if willing to act, be reappointed.

### **DISQUALIFICATION OF DIRECTORS**

The office of Director shall be vacated:

- 41.1. if by notice in writing to the Company he resigns from the Board (but only if at least Directors remain in office when the notice of resignation is to take effect), or
- 41.2. 45.2 if he is removed by notice in writing to the Company signed by a majority of the members of the Company, or
- 41.3. 45.3 if he ceases to hold office by reason of any order made under the Company Directors Disqualification Act 1986, or by virtue of any provision of the Charities Legislation, 'or
- 41.4. 45.4 if he is removed from office by a resolution duly passed pursuant to S.303 of the Act, or
- 41.5. 45.5 if he is absent from three consecutive meetings of the Board without the consent of the Chairman, or
- 41.6. 45.6 if he becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs, or
- 41.7. 45.7 if he is convicted of any criminal offence other than any minor motoring or similar offence that cannot reasonably damage the reputation of the Company.

### **PROCEEDINGS OF THE BOARD**

41. The Board may meet together *for* the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business, provided that such meetings are held at least twice during every year. Unless otherwise determined, three Directors shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In cases of equality of votes the chairman of the meeting shall have a second or casting vote.

42. The Chairman may, and on the request of the Chairman the Secretary shall, at any time, summon a meeting of the Board by notice served upon all Directors. A Director who is absent from the United Kingdom shall be entitled to notice of a meeting.
43. A meeting of the Board at which a quorum
44. is present shall be competent to exercise all the authorities, powers and discretions by or under the regulations of the Company for the time being vested in the Board generally.
45. The Board may delegate any of their powers to committees consisting of such Director or Directors and others as they think *fit*, and any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board. The meetings and proceedings of any such committee shall be governed by the provisions of the Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board.
46. All acts bona fide done by any meeting of the Board or of any committee of the board, or by any person acting as a committee member, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such person or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director or member of the committee as the case may be.
47. The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Company and of the Board and of committees of the Board, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the chairman of such meeting, or by the chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
48. A resolution in writing signed by all the Directors or by all the members for the time being of any committee of the Board who are entitled to receive notice of a meeting of the Board or of such committee shall be as valid and effectual as if it had been passed at a meeting of the Board or of such committee duly convened and constituted. Any such written instrument may be in several parts each signed by one or more Directors or members of the committee as the case may be. Digital signatures and faxed signatures shall suffice for the purposes of this Article.
49. Any bank account in which any part of the assets of the Company is deposited shall be operated by or with the authority of the Directors and shall indicate the name of the Company.

#### **ALTERNATE DIRECTORS**

50. Each Director shall have the power *from* time to time to appoint any other Director or any person approved by the Board of Directors and willing to act, to be an alternate Director and may remove from office an alternate Director so appointed by him. The alternate Directors shall benefit from the indemnity set out in Article 68.
51. Any Director or person entitled to be present at a meeting of Directors or Members of a Committee of the Directors may participate in a meeting of the Directors or such Committee by means of a conference telephone or other facility whereby all persons participating in a meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting. Such a meeting shall be deemed to take place where it is convened to be held or (if no Director is present in that place) where the largest group of those participating is assembled, or if there is no such group, where the Chairman of the meeting is. The word "meeting" in these Articles shall be construed accordingly.

#### **CHAIRMAN**

52. A Chairman of the Board shall be elected by the Board for a period of up to three years and upon expiry of such period shall be eligible for re-appointment upon the same terms. Provided that the Chairman shall cease to hold such appointment forthwith upon ceasing to be a Director.
53. The Chairman shall preside as chairman at all meetings of the Board at which he shall be present, but if he is not present within fifteen minutes after the time appointed for holding a meeting or is unwilling to preside, the members of the Board present shall choose one of their number to preside at that meeting.

#### **SECRETARY**

54. The Secretary shall be appointed by the Board for such time, at such remuneration and upon such conditions as the Board may think fit, and any Secretary so appointed may be removed by the Board. The Board may from time to time by resolution appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting.

#### **ACCOUNTS**

55. The Board shall cause proper books of account to be kept to enable accounts to be prepared which comply with the relevant provisions of the Act, the Charities Legislation and the SORP. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Company and to explain its transactions.
56. The books of account shall be kept at the Office, or, subject to Section 222 of the Act, at such other place or places as the Board shall think fit and shall always be open to the inspection of the Board or any Director.
57. At the Annual General Meeting in every year the Board shall lay before the Company accounts including an income and expenditure account *for* the period since the last preceding account (or in the case of the first accounts since the incorporation of the Company) made up to a date not more than twelve months before such meeting, together with a balance sheet made up as at the same date. Such accounts shall be accompanied by reports of the Board and the Auditors. Copies of such accounts and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty-one clear days before the date of the meeting, subject nevertheless to the provisions of Section 240 of the Act, be sent to the Auditors and to all other persons entitled to receive notices of General Meetings in the manner in which notices are hereinafter directed to be served. The Auditors' report shall be open to inspection and be laid before the meeting as required by Section 241 of the Act.

#### **AUDIT**

58. Once at least in every year the accounts of the Company shall be examined and reported upon by the Auditors.
59. The Auditors shall be one or more properly qualified auditor(s) not being members of the Board and their duties shall be regulated in accordance with the Act and the Charities Legislation and the SORP.

#### **NOTICES**

60. Any notice to be sent to or by any person pursuant to these Articles including a notice calling a meeting of the Board shall be in writing and may be delivered or sent by post or using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this Article, "Address" in relation to electronic communications, includes any number or address used for the purposes of such communications.
61. Save as otherwise provided by the Act, only those members who are described in the register of members by an address within the United Kingdom shall be entitled to receive notices from the Company. Provided that any member described in the register of members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom at which
  - notices may be served upon him, shall be entitled to have notices served upon him at such address.
62. Any notice, if served by post, shall be deemed to have been served on the second day following that on which the letter containing the same is put into the post, and in
  - proving such service it shall be sufficient to prove that the letter containing the notice
  - was properly addressed prepaid and posted. A notice or other document contained in an electronic communication shall be deemed sent on the day following that on which the electronic communication was sent and electronic confirmation of receipt shall be conclusive evidence that notice was given to a facsimile number or e-mail address

#### **LIABILITY AND INDEMNITY**

63. In the management of the affairs of the Company no Director shall be liable for any loss to the property of the Company arising by reason of an improper investment made in good faith (so long as he shall have sought professional advice before making such investment) or for the negligence or fraud of any agent employed by him or by any other Director in good faith (provided reasonable supervision shall have been exercised) although the employment of such agent was not strictly necessary or by reason of any mistake or omission made in good faith by any Director or by reason of any other matter or thing other than wilful and individual fraud, wrongdoing or wrongful omission on the part of the Director who is sought to be made liable.
64. Subject to the provisions of the Act, every Director and other officer of the Company and the Auditors shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, and

against all costs charges losses expenses or liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

#### **RULES AND BYE LAWS**

**65.** The Board may from time to time make such rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company. The Company in General Meeting shall have power to alter, add to or repeal any such rules or bye law and the Board shall adopt such means as it thinks sufficient to bring to the notice of members of the Company all such rules or bye laws, which shall be binding on all members of the Company. Provided that no rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or the Articles.

#### **ALTERATIONS**

**66.** No alterations shall be made to the Articles except by a resolution put to a General Meeting of the Company by the Board (a simple majority of whom at a duly convened Board meeting shall decide to put such resolution to a General Meeting) and passed at such General Meeting (of which at least twenty-one days notice has been given) by three-quarters of those present amid voting at such General meeting provided that no alteration shall be made which shall have the effect of the Company ceasing to be a charity.

#### **DISSOLUTION**

**67.** Clauses 6 and 7 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in the Articles.

Names and Addresses of Subscribers

**NB The signatories are Don McLeish and Rachel Shirley dated 29<sup>th</sup> November 2003. Their names, addresses, descriptions and signatures, witnessed by Mr Blaise White and Mr Ian Williams respectively, are available to view in the photocopy of this document held at CU's office in Hereford.**

### 3. Hallmarks of an Effective Charity

A Code of Good Governance has been developed and endorsed by the Charity Commission, the National Council for Voluntary Organisations (NCVO), Association of Chief Executives of Voluntary Organisations (ACEVO), Charity Trustee Networks (CTN), the Institute of Chartered Secretaries and Administrators (ICSA) and the National Hub of Expertise in Governance, to encourage charities to adopt good practice in governance.

Governance has been defined as “the systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation.”

In the charity sector trustees take ultimate responsibility for the governance of their organisations. Governance is not a role for trustees alone. It is the way trustees work with chief executives and staff, volunteers, service users, members and other stakeholders to ensure their organisation is effectively and properly run and meets the needs for which the organisation was set up.

The Code is based on the principle of ‘comply or explain’. This means that it is not a legal or regulatory requirement. Organisations using it should be able to either ‘comply’ with the main principles of the Code, or ‘explain’ why they don’t apply in the particular circumstances.

CU’s Board takes the Code seriously; We are committed to working towards compliance as appropriate with our circumstances. Trustees are referred to the Charity Commission documents which complement the Code: The Hallmarks of an Effective Charity CC60, and The Essential Charity Trustee CC3.

#### Summary of the Principles of Good Governance

The seven main principles that underpin the Code, together with the most important supporting principles are set out below. The additional principle of equality - that of ensuring equity, diversity and equality of treatment for all sections of the community has been applied throughout the Code.

#### Principle 1: Board Leadership

Every organisation should be led and controlled by an effective Board of trustees which collectively ensures delivery of its objects, sets its strategic direction and upholds its values.

The supporting principles are:

- The role of the Board Trustees have and must accept ultimate responsibility for directing the affairs of their organisation, ensuring it is solvent, well-run, and delivering the outcomes for which it has been set up.
- Strategic direction Trustees should focus on the strategic direction of their organisation, and avoid becoming involved in day to day operational decisions and matters. Where trustees do need to become involved in operational matters, they should separate their strategic and operational roles.

#### Principle 2: The Board in Control

The trustees as a Board should collectively be responsible and accountable for ensuring and monitoring that the organisation is performing well, is solvent, and complies with all its obligations.

The supporting principles are:

- Compliance The Board must ensure that the organisation complies with its own governing document, relevant laws, and the requirements of any regulatory bodies.

- Internal controls The Board should maintain and regularly review the organisation's system of internal controls, performance reporting, policies and procedures.
- Prudence The Board must act prudently to protect the assets and property of the organisation, and ensure that they are used to deliver the organisation's objectives.
- Managing risk The Board must regularly review the risks to which the organization is subject, and take action to mitigate risks identified.
- Equality and diversity The Board should ensure that it upholds and applies the principles of equality and diversity, and that the organisation is fair and open to all sections of the community in all of its activities.

### Principle 3: The High Performance Board

The Board should have clear responsibilities and functions, and should compose and organize itself to discharge them effectively.

The supporting principles are:

- Trustee duties and responsibilities Trustees should understand their duties and responsibilities and should have a statement defining them.
- The effective Board The Board should organise its work to ensure that it makes the most effective use of the time, skills and knowledge of trustees.
- Information and advice Trustees should ensure that they receive the advice and information they need in order to make good decisions.
- Skills and experience The trustees should have the diverse range of skills, experience and knowledge needed to run the organisation effectively.
- Development and support Trustees should ensure that they receive the necessary induction, training and ongoing support needed to discharge their duties.
- The chief executive The Board should make proper arrangements for the supervision, support, appraisal and remuneration of its chief executive.

### Principle 4: Board Review and Renewal

The Board should periodically review its own and the organisation's effectiveness, and take any necessary steps to ensure that both continue to work well.

The supporting principles are:

- Performance appraisal The Board should regularly review and assess its own performance, that of individual trustees, and of sub-committees, standing groups and other bodies.
- Renewal and recruitment The Board should have a strategy for its own renewal. Recruitment of new trustees should be open, and focused on creating a diverse and effective Board.
- Review The Board should periodically carry out strategic reviews of all aspects of the organisation's work, and use the results to inform positive change and innovation.

### Principle 5: Board Delegation

The Board should set out the functions of sub-committees, officers, the chief executive, other staff and agents in clear delegated authorities, and should monitor their performance.

The supporting principles are:

- Clarity of roles The Board should define the roles and responsibilities of the chair and other honorary officers, in writing.
- Effective delegation The Board should ensure that staff, volunteers and agents have sufficient delegated authority to discharge their duties. All delegated authorities must have clear limits relating to budgetary and other matters.

- Terms of reference The Board should set clear terms of reference for subcommittees, standing groups, advisory panels, etc.
- Monitoring All delegated authorities must be subject to regular monitoring by the Board.

### Principle 6: Board and Trustee Integrity

The Board and individual trustees should act according to high ethical standards, and ensure that conflicts of interest are properly dealt with.

The supporting principles are:

- No personal benefit Trustees must not benefit from their position beyond what is allowed by the law and is in the interests of the organisation.
- Dealing with conflicts of interest Trustees should identify and promptly declare any actual or potential conflicts of interest affecting them.
- Probity There should be clear guidelines for receipt of gifts or hospitality by trustees.

### Principle 7: Board Openness

The Board should be open, responsive and accountable to its users, beneficiaries, members, partners and others with an interest in its work.

The supporting principles are:

- Communication and consultation Each organisation should identify those with a legitimate interest in its work (stakeholders), and ensure that there is a strategy for regular and effective communication with them about the organisation's achievements and work.
- Openness and accountability The Board should be open and accountable to stakeholders about its own work, and the governance of the organisation.
- Stakeholder involvement The Board should encourage and enable the engagement of key stakeholders, such as users and beneficiaries, in the organisation's planning and decision-making.

## 12 ESSENTIAL BOARD RESPONSIBILITIES AT A GLANCE<sup>2</sup>

### 1. Determine the organisation's mission and vision

Only the trustee board has the power to create and change an organisation's essential mission and vision. Every policy decision the board makes is designed to help the organisation realise the aims laid out in the mission.

### 2. Engage in strategic planning

Trustee boards make strategic policy and work with the chief executive officer (CEO) to develop long-term strategic plans. Ideally, they tie their meeting agendas to key points in the strategic plan to ensure they are dealing with key issues.

### 3. Formulate needed policies

The board creates policies to govern organisational activity, providing guidance for staff, setting up systems for reporting and monitoring, and establishing an ethical framework for all those who work for or on behalf of the organisation. It also creates policy governing the behaviour of trustees and all aspects of board business.

### 4. Approve and monitor the organisation's programmes and services

The board sees to it that all the organisation's programmes and services obey the letter of the law and effectively serve the organisation's mission. The board's vision for the organisation determines what direction programming will take.

### 5. Ensure adequate financial resources

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<sup>2</sup> The 12 essential board responsibilities at a glance, Trustee Roles and Responsibilities from "Developing Trustee Boards" National Council for Voluntary Organisations

Trustees make sure that the organisation has the resources to carry out its mission. Their work in this area may involve creating policies governing financial reserves and fundraising practice. In some organisations, the trustees themselves are active in raising funds.

#### **6. Provide effective fiscal oversight and ensure sound risk management**

The trustee board approves the annual financial statement and budget, monitors spending, creates policies to manage and protect organisational assets and property and sees to it that finances are handled according to the letter of the law in the best interests of the organisation. It also protects the organisation against liability by providing adequate insurance and creating policies designed to minimise the amount of risk for the organisation.

#### **7. Select and support the chief executive officer (CEO) and review his or her performance**

The board creates policy covering CEO remuneration, hires the CEO and is in charge of conducting his or her annual assessment. The board is also responsible for developing and supporting the CEO.

#### **8. Understand and respect the relationship between board and staff**

The board needs to recognise areas of staff responsibility and avoid interfering in matters that are properly the domain of staff. At the same time, it creates policy to guide staff activities and safeguard the interests of the organisation.

#### **9. Act as a responsible employer**

The board creates comprehensive, fair personnel policies that meet legal requirements and protect both the organisation and those who work for it. It monitors organisational activity to make sure that practice lives up to policy.

#### **10. Enhance the organisation's public image**

Through their own behaviour, their governance oversight and their activities on behalf of the organisation trustees enhance and protect the reputation of their organisation.

#### **11. Carefully select and induct new board members**

The board ensures the quality of governance for the organisation by carefully selecting and training new board members. It recruits and develops individuals who can provide the best leadership for the organisation.

#### **12. Carry board business efficiently**

The board keeps its own house in order by conducting productive meetings where key organisational issues are dealt with in an efficient way. It creates effective committees and provides them with adequate resources and personnel. It hires consultants to bring needed expertise into the organisation. It engages in regular performance appraisals, periodic self-assessment and development activities to strengthen its effectiveness.