



SOCIAL  
JUSTICE  
IRELAND

*working to build a just society*

# Good Governance

## Where to Start?

Colette Bennett  
Research and Policy Analyst  
*Social Justice Ireland*

# Agenda

- Introductions
- What Governance applies to YOUR organisation
- Regulatory Requirements for a Company and a Charity
- Developing a Constitution
- Committee / Board Roles
- Establishing and Supporting Effective Committees
- Policies and Procedures

A close-up photograph of a hand holding a black pen, writing the words "introduce yourself" in a cursive script on a white card. The hand is positioned on the left side of the frame, and the card is held at an angle. The background is a plain, light-colored surface.

*introduce  
yourself*

Introductions

# What Governance applies to YOUR organisation?

- Charities Act 2009
  - Established the Charities Regulator
- Companies Act 2014
- The Governance Code for Community and Voluntary Organisations
- Data Protection legislation



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# What Governance applies to YOUR organisation?

- Child Protection (if applicable)
- National Vetting (if applicable)
- Regulation of Lobbying Act 2015
- Employment Law
- Equality Law
- Health and Safety Law



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**WHY BOTHER?**

So Why Bother??

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# What Governance applies to YOUR organisation?



# What Governance applies to YOUR organisation?

- Charities Act 2009
  - Established the Charities Regulator
  - Provided for a register of Charities – it is an offence not to be registered!!
  - Sets out the duties of Trustees
  - Clarified the law on fundraising – giving peace of mind to the general public
  - Established an Appeals Tribunal



# What Governance applies to YOUR organisation?

- Does the Charities Act 2009 apply to my organisation?



**Source:** *What is a Charity?*, Charities Regulatory Authority

# What Governance applies to YOUR organisation?

- What is a Charitable Purpose?

*3.— (1) For the purposes of this Act each of the following shall, subject to subsection (2), be a charitable purpose:*

*(a) the prevention or relief of poverty or economic hardship;*

*(b) the advancement of education;*

*(c) the advancement of religion;*

*(d) **any other purpose that is of benefit to the community.***

*(2) A purpose shall not be a charitable purpose unless it is of public benefit.*

**Source:** Section 3, Charities Act 2009

# What Governance applies to YOUR organisation?

- What is a Public Benefit?
  - Who benefits from your organisation? – whole community / class of people / animals etc.
  - What (if any) limits are on this benefit (and are they justifiable)?
  - Are any beneficiaries connected to the organisation?
  - Can you demonstrate the objectivity of the benefit – RECORDS!

# What Governance applies to YOUR organisation?

- Is your organisation an *Excluded Body*?
  - Political Party or bodies that promote a political party
  - Organisations established solely for the promotion of athletic or amateur games or sports



# What Governance applies to YOUR organisation? – Charity Checklist

- ✓ Do you operate in the State?
- ✓ Do you have a charitable purpose?
- ✓ Do the activities of your organisation further and promote that, and *only* that, charitable purpose?
- ✓ Does your organisation exist to further the public good?
- ✓ Is your organisation an exempted body?
- ✓ Is your organisation registered with the Revenue Commissioners for charitable tax exemptions?



# What Governance applies to YOUR organisation?

- Does the Companies Act 2014 apply to my organisation?
  - Is your organisation registered with the Companies Registration Office?
  - Is your company a CLG (company limited by guarantee) – the most common company type for charities and public interest bodies

# What Governance applies to YOUR organisation?

- Does the Governance Code for Community and Voluntary Organisations apply to my organisation?

**YES!**

...or at least a variation of it does

# What Governance applies to YOUR organisation?

- Governance Code for Community and Voluntary Organisations
  - 6 Principles of Charity Governance
    - Advancing a Charitable Purpose
    - Behaving with Integrity
    - Leading People
    - Exercising Control
    - Working Effectively
    - Being Accountable and Transparent

**Source:** Governance Code, [www.charitiesregulator.ie](http://www.charitiesregulator.ie)

# Regulatory Requirements for a Company and a Charity

## **Company**

- Incorporated and registered with the CRO and Revenue for corporation tax purposes
- Statutory Officers – Directors, Company Secretary, with roles defined in law
- Fiduciary Duties
- Makes returns to the CRO

## **Charity**

- Registered with the CRA and Revenue for charitable tax exemptions
- Trustees, Committees, etc. Some roles are tightly defined, some are not.
- Fiduciary Duties
- Makes returns to the CRA

# Developing a Constitution – Preliminary Considerations

- The MAIN governance document of your organisation
- Developed by the Trustees / Board / Governors
- Plain English (or as close as) – make sure it's accessible to all stakeholders





# Developing a Constitution – What's in it?

- Official name of the organisation
- Main purpose (and other ancillary purposes, listed in order)
- Powers of the organisation
- Officers' Duties and Elections
- Committee Memberships and Operations
- Meetings (AGM, EGM, Board Meetings)
- Financial Arrangements
- Operations of the organisation
- Winding Up
- Any other business relevant to your organisation

# Group Exercise

Climate Strike Ireland is an organisation dedicated to supporting the rights of students, workers and all society to strike in favour of Climate Action.

Draft an Outline (in bullet points!) of what should be in their Constitution.

***HOW MUCH OF IT IS APPLICABLE TO OTHER GROUPS??***



**It's Time For A Break**

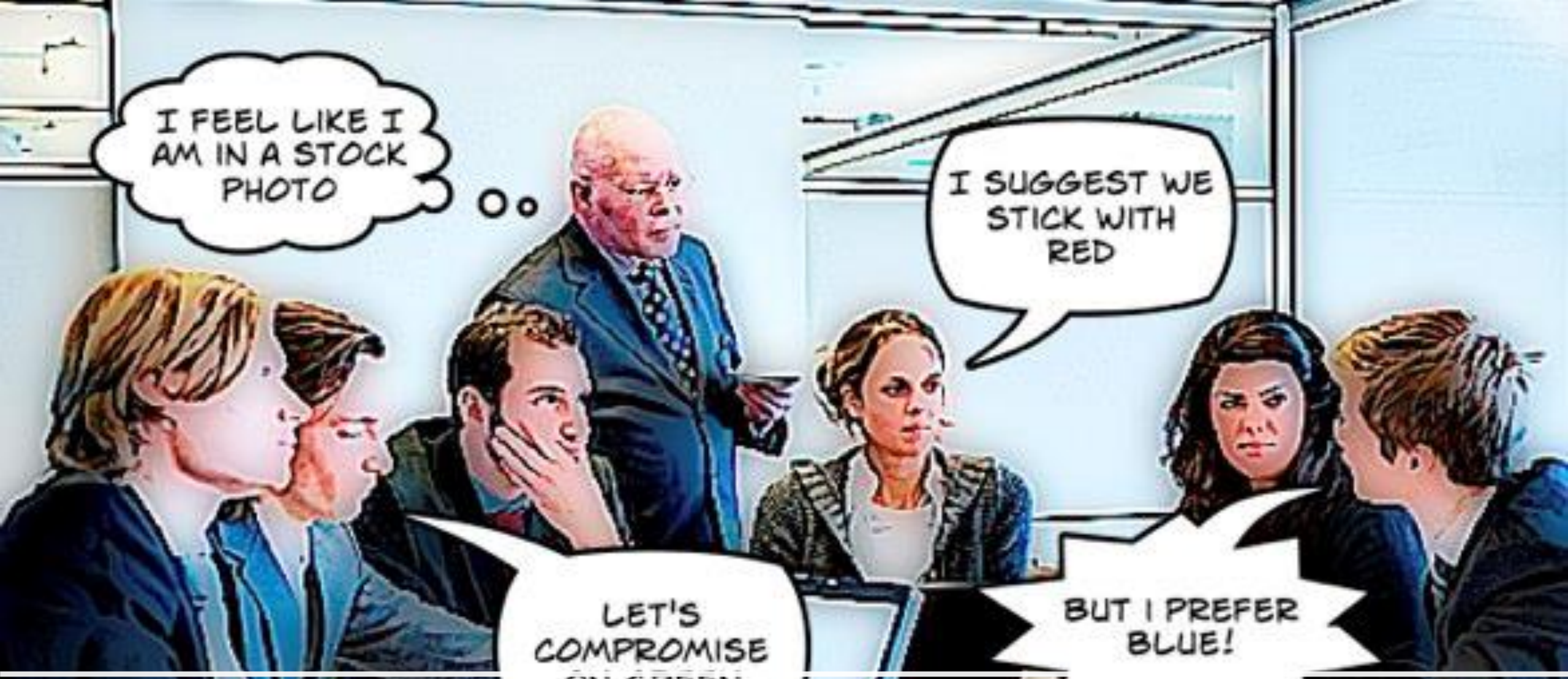


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# Committees / Boards

# Committee / Board Roles

- The Management Committee / Board of a community or voluntary organisation is accountable for ensuring the good governance and management of that organisation.
- They MUST act in accordance with the Constitution / Memorandum and Articles of Association / Governing Documents of the organisation.
- Additional statutory duties where the organisation is a company.



# Committee / Board Roles

- Directors / Management / Governors
  - If your organisation is a company, a lot of the detail of these roles and duties will be set out in the Companies Act 2014 (see CRO guidance)
  - Generally speaking, these officers are responsible for keeping the rules of the organisation and are required to act in the organisation's best interest
  - For limited companies, Directors' liability is limited (i.e. the company is a separate entity, so the Directors are not personally responsible EXCEPT where they have been involved in fraud or have allowed breaches of health and safety at work.

# Committee / Board Roles

- Directors / Management / Governors

*“the board of directors must clearly direct the organisation ensuring that it has proper plans, procedures, policies, structures and resources in place to achieve its objectives.*

*the directors are entirely accountable for the organisation which they govern and must manage risk and be accountable to funders, members and other stakeholders for both its financial affairs and activities, and ensure the organisation’s procedures are reviewed regularly.”*

*Source: Pobal, Managing Better Governance 2018*

# Committee / Board Roles

- Director / Management / Governors

- Statutory Compliance
- Financial Controls
- Expenditure Oversight
- Renewal / Retirement / Appointment of Board Members
- Employing staff (and all of the responsibilities that go with that)
- Approving and implementing standard procedures, e.g. confidentiality, conflicts of interest, data protection guidelines, health and safety policies, dignity in the workplace etc.

- Approving Annual Reports and Financial Statements
- Engaging with the Auditor
- Confidential Reporting Procedure
- Development of a Strategic Plan
- Ensuring Operational Effectiveness

# Committee / Board Roles



# Committee / Board Roles

- **Secretary**

- Role is a legal requirement of all limited companies.
- Responsible for making all filings to the CRO.
- Keeps minutes and records of board decisions and procedures.
- Maintains the Register of Directors and Members.
- Responsible for inducting new Directors and making them aware of their responsibilities.
- Keeping the CRO up to date.



# Committee / Board Roles

- Chairperson / Facilitator
  - Leading the agenda of the organisation
  - Often main linkage person / communications spokesperson
  - Chairs effective meetings and promotes good governance
  - Ensures decisions made at Board / Committee level are implemented “on the ground”
  - Conflict Resolution
  - Support for staff

# Committee / Board Roles

- Treasurer

- Administering the organisation's finances.
- Ensuring financial systems are up to date and fit for purpose.
- Preparing Financial Reports for presentation to the Board / Committee.
- For organisations funded by Pobal:

*Pobal strongly recommends that the treasurer has a professional background in accounting and financial management.*



## Establishing and Supporting Effective Committees – The Beginning

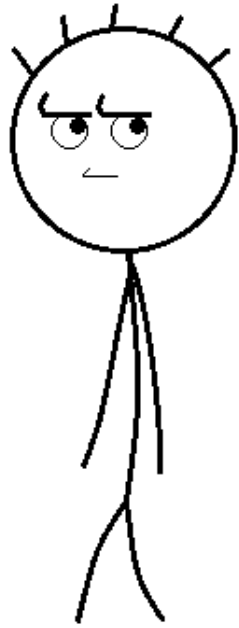
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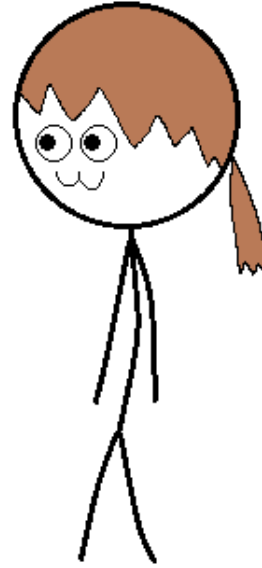
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# Establishing and Supporting Effective Committees – The Beginning

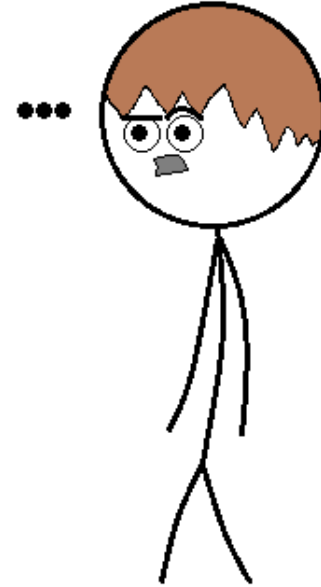
- Starts with recruitment!!
- Have an induction plan for new recruits – see [CRA Induction Pack Checklist](#).
- Where possible, have all members involved in drafting the Terms of Reference for the Committee. Be clear on the objectives and any required outcomes, so far as their known.
- Be clear about the expectations and, where possible, time commitment.



Bored



Lost



Confused

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## Establishing and Supporting Effective Committees – Business as Usual

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# Establishing and Supporting Effective Committees – Business as Usual

- Be flexible with meetings – does it suit to hold them during the day / in the evening / at the weekend / a combination?
- Circulate agenda and any documentation in good time!
- Focus on actions – if something cannot be resolved in one meeting, look at interim and final action points.
- Have a contact person if Committee members have questions or concerns (especially new members).



# Establishing and Supporting Effective Committees

## – Lack of Clarity / Unrealistic Expectations

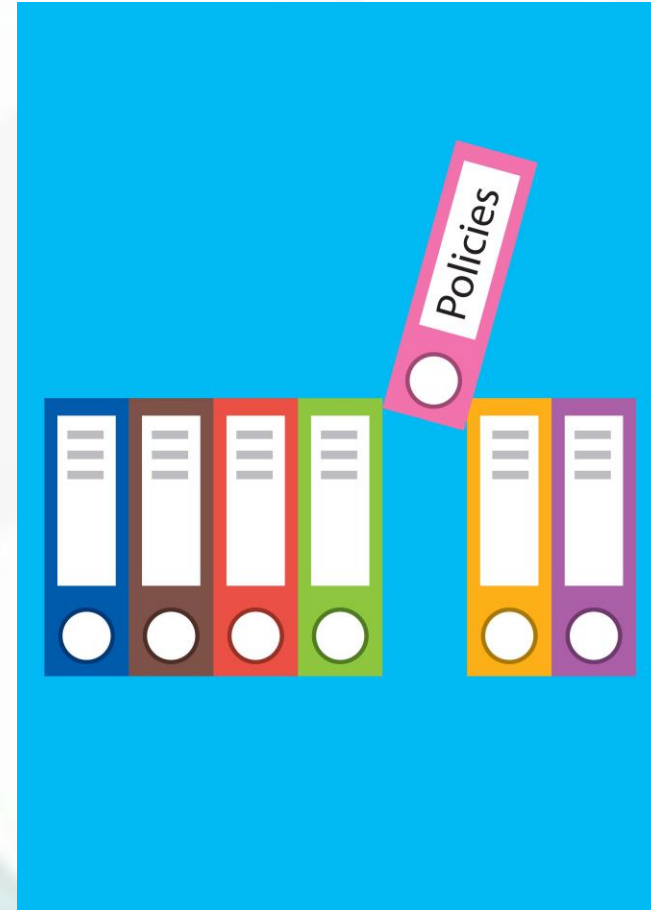
- Run a refresher course on what supports are there – starting with the description of the role and what is expected
- Have a mix of people involved
- ‘Pair Up’ members with different skills and interests
- Hold at least 1 facilitated meeting where all ideas are encouraged in a ‘safe space’
- Where expectations are not being met – are there any advantages to reviewing what was expected and how it could be incorporated?

# Establishing and Supporting Effective Committees – Disengaged / Board

- Establish a Development Subcommittee to look at the practices and procedures of the Committee and ensure it's fresh and up to date
- Consider setting a time limit on agenda items
- Work with the meeting Chair to encourage full and frank discussion from everyone
- Set up a quarterly / annual feedback consultation (anonymous through SurveyMonkey or similar) and set aside some time at the next meeting to discuss outcomes
- Get Committee members involved in delivering solutions for themselves

# Policies and Procedures

- Staff Handbook (if applicable)
- Board Charter / Code of Conduct
- Standing Orders for Meetings
- Confidentiality Policy
- Data Protection Guidelines and Privacy Statement
- Health and Safety Policies
- Volunteer Guidelines (if applicable)
- Dignity in the Workplace
- Financial Controls Procedure
- Governance Code
- Confidential Reporting
- Risk Register



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# Useful Links

- **What is a Charity? – CRA Guide:**  
<https://www.charitiesregulator.ie/media/1544/what-is-a-charity-rev-001.pdf>
- **Companies Registration Office Guidance Leaflets:**  
<https://www.cro.ie/Publications/Publications/Information-Leaflets>
- **Good Governance – Pobal Guide:**  
[https://www.pobal.ie/app/uploads/2018/06/managing\\_better\\_01\\_governance.pdf](https://www.pobal.ie/app/uploads/2018/06/managing_better_01_governance.pdf)
- **Charities Regulation in Ireland, CIB – Relate Journal:**  
[http://www.citizensinformationboard.ie/downloads/relate/Relate\\_2018\\_05.pdf](http://www.citizensinformationboard.ie/downloads/relate/Relate_2018_05.pdf)
- **Guidance from the Office of the Director of Corporate Enforcement:**  
<http://www.odce.ie/en-gb/publications.aspx>

# Useful Links

- **The Governance Code (incl. useful templates and information):**  
<https://www.charitiesregulator.ie/en/information-for-charities/charities-governance-code>
- **Lobbying Register** <https://www.lobbying.ie/>
- **Children First Guidelines**  
[https://www.dcy.gov.ie/viewdoc.asp?fn=/documents/Children\\_First/ChildrenFirstGuidance.htm](https://www.dcy.gov.ie/viewdoc.asp?fn=/documents/Children_First/ChildrenFirstGuidance.htm)
- **Safeguarding Vulnerable Adults**  
<https://www.hse.ie/eng/staff/resources/hrppg/va.html>
- **Health and Safety Authority** <https://www.hsa.ie/eng/>



Questions?





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# Thank You

Colette.bennett@socialjustice.  
ie

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