

Carmichael.

Running a Successful Organisation & Being 'Governance' Compliant

Senan Turnbull for
Wicklow PPN Workshop 3 01/03/2021

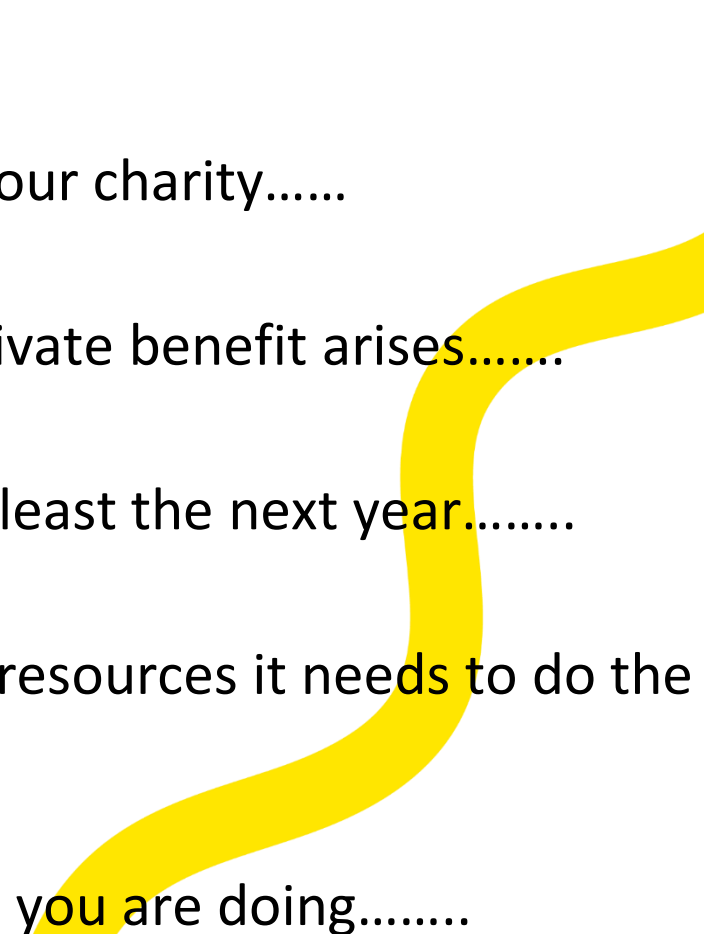
Guiding nonprofits
carmichaelireland.ie

Before today...

- Participants will hopefully have;
- Reviewed Principles 3 and 4 (and maybe Principles 1 & 2 also) to see what documents there were to indicate compliance with each standard.
- Looked at what needed to be done and developed a work programme of what you need to write/adapt and allocated a lead person/group to do the work setting a time-frame to carry it out.
- HOW DID IT GO?....QUESTIONS/COMMENTS/OBSERVATIONS
- Looked ahead at Principles 5 and 6

- 
- Recap on
 - Workshop 1 - Principles 1 & 2**

Principle 1: Advancing Charitable Purpose

- **Five CORE Standards**
 - 1.1. Be clear about the purpose of your charity.....
 - 1.2. Consider whether or not any private benefit arises.....
 - 1.3. Agree an achievable plan for at least the next year.....
 - 1.4. Make sure your charity has the resources it needs to do the activities you plan.....
 - 1.5. From time to time, review what you are doing.....
- 

Principle 1: Advancing Charitable Purpose

- Three ADDITIONAL Standards *-(no additional Standards)*
- 1.6. Develop your charity's strategic plan and associated operational plans.
- 1.7 Make sure there is an appropriate system in place to:
 - monitor progress against your plans; and
 - evaluate the effectiveness of your work.
- 1.8. From time to time, consider the advantages and disadvantages of working in partnership with other charities, including merging or dissolving (winding up).

Principle 2: Behaving with Integrity

- **Three CORE standards**

- 2.1. Agree the basic values that matter to your charity and publicise these, so that everyone involved understands the way things should be done and how everyone is expected to behave.
- 2.2. Decide how you will deal with conflicts of interests and conflicts of loyalties. You should also decide how you will adhere to the Charities Regulator's guidelines on this topic.
- 2.3. Have a code of conduct for your board that is signed by all charity trustees. It must make clear the standard of behaviour expected from charity trustees. This includes things like maintaining confidentiality and what to do in relation to: gifts and hospitality, and out-of-pocket expenses.

- **Recap on**
- **Workshop 2 - Principles 3 & 4**

Principle 3 - Leading People

•Four CORE Standards

- 3.1. Be clear about the roles of everyone working in and for your charity, both on a voluntary and paid basis.
- 3.2. Make sure there are arrangements in place for the effective involvement of any volunteers, including what to do if any problems arise.
- 3.3. Make sure there are arrangements in place that comply with employment legislation for all paid staff including:
 - recruitment;
 - training and development;
 - support, supervision and appraisal;
 - remuneration (money paid for work) and dismissal.
- 3.4. Agree operational policies where necessary, to guide the actions of everyone involved in your charity.

Principle 3 - Leading People

- Three ADDITIONAL Standards

- 3.5. Make sure to document the roles, legal duties and delegated responsibility for decision-making of:
 - individual charity trustees and the board as a whole, - any sub-committees or working groups, - staff and volunteers.
- 3.6. Make sure that there are written procedures in place which set out how volunteers are:
 - recruited, supported and supervised while within your charity, - and the conditions under which they exit.
- 3.7. Decide how you will develop operational policy in your charity. You also need to decide how your charity trustees will make sure that the policy is put in place and kept up to date.

Principle 4 - Exercising Control

•Six CORE Standards

- 4.1. Decide if your charity's current legal form and governing document are fit for purpose. Make changes if necessary, telling the Charities Regulator in advance that you are doing so.
- 4.2. Find out the laws and regulatory requirements that are relevant to your charity and comply with them.
- 4.3. If your charity raises funds from the public, read the Charities Regulator's guidelines¹⁰ on this topic and make sure that your charity adheres to them as they apply to your charity.
- 4.4. Make sure you have appropriate financial controls in place to manage and account for your charity's money and other assets¹¹.
- 4.5. Identify any risks your charity might face and how to manage these.
- 4.6. Make sure your charity has appropriate and adequate insurance cover.

Principle 4 - Additional Standards

- Three ADDITIONAL Standards
- 4.7. Have written procedures to make sure that you comply with all relevant legal and regulatory requirements.
- 4.8. Make sure there is a formal risk register that your board regularly reviews.
- 4.9. Consider adopting additional good practice standards that are relevant to the particular work that your charity does.

- **Today; Principles 5 & 6**

Principle 5 - Working Effectively - 1

- Nine Core Standards
- 5.1. Identify charity trustees with relevant **skills**
- 5.2. Hold regular board meetings. Give enough notice before meetings and provide prepared agendas
- 5.3. Board agendas should include activities, finance and conflicts of interests and loyalties
- 5.4. Make sure that there is enough information to make informed decisions which are recorded accurately in the **minutes**
- 5.5. Consider introducing term limits for your charity trustees, with a suggested maximum of nine years in total

Principle 5 - Working Effectively -2

- 5.6. Recruit suitable new charity trustees as necessary and make sure that they receive an induction
- 5.7. Make sure all of your trustees understand their roles, their governing document and this Code.
- 5.8. Commit to resolving problems and emerging issues as quickly as possible
- 5.9. From time to time, review how your board operates and make any necessary improvements

Principle 5 - Working Effectively

- **CORE 5.1. Identify directors/trustees with the necessary skills to undertake any designated roles set out in your governing document and other roles as appropriate within the board.**
- Conduct a skills audit of the board and committees to identify what training and support current directors might need to be able to carry out their responsibilities and to prioritise what skill sets are required for incoming directors and committee members.
- Have a procedure about identifying new members e.g through committees before possible Board membership.

Principle 5 - Working Effectively

- **CORE 5.2. Hold regular board meetings. Give enough notice before meetings and provide prepared agendas**
- Adopt a set of Standing Orders which set out exactly how this must be done e.g agree an annual schedule every November, timeframe for the circulation of: draft minutes, agenda and material for meetings, conduct at meetings etc.
- No AOB

Principle 5 - Working Effectively

- **CORE 5.3. At a minimum, your board agendas should always include these items: reporting on activities; review of finances; and conflicts of interests and loyalties.**
 - 1 Quorum and Noting of Attendance, apologies and absences
 - 2 To choose a person to chair the meeting if the Chairperson is absent.
 - 3 Adoption of the Agenda with possible additions
 - 4 Declaration of Conflict(s) of Interest
 - 5 To approve as a correct record and sign the minutes of the last meeting.
 - 6 Matters of information/update but not for discussion arising from the minutes not otherwise being reported on
 - 7 Noting and/or approving minutes of Sub-Committee meetings
 - 8 (Report on activities and matters for consideration by the Manager/Administrator/or other senior member of staff *if such a position exists* and/or officers and other volunteers)
 - 9 Items for Detailed Discussion and/or Decision always including finance with income/expenditure against budget year to date and variations including implications for year end
 - 10 Policies/Procedures for Review

Principle 5 - Working Effectively

- **CORE 5.4. Make sure that your directors/trustees have the facts to make informed decisions at board meetings and that these decisions are recorded accurately in the minutes.**
- If at all possible have written reports to accompany every item where a decision is required. This will reduce the need for long minutes as the essence of the decision is in the paper
- Minutes to focus on decisions made e.g. who is to do what and when. Recording who said what is irrelevant. Meetings are about making and accepting collective decisions
- <https://www.charitiesregulator.ie/media/1688/guidance-note-on-minute-taking.pdf>
- [Appendix A - Explanatory sample board minutes \(PDF\)](#)
- [Appendix B - Board minutes template \(WORD\)](#)

Principle 5 - Working Effectively

- **CORE 5.5. Consider introducing term limits for your committees/directors/ trustees, with a suggested maximum of nine years in total.**
- Introducing new blood is vital and there should be clear policy, preferably in the constitution, as to what life-time term limits are for officers, the board and committees. Three-year terms with a max of 3 terms i.e NINE YEARS max on the Boardand only 1 term in any particular officer role.
- Organisations struggle with this but it is essential to have volunteer policies and create succession pathways through committees and through external recruitment

Principle 5 - Working Effectively

- **CORE 5.6. Recruit suitable new directors/trustees as necessary and make sure that they receive an induction**
- Based on the outcome of 5.1 above seek people with specific skills and experience to sit on the board and committees.
- Make it mandatory that all new directors and committee members receive a structured induction pack and session and sign that they understand their roles and responsibilities.
- <https://www.charitiesregulator.ie/media/1770/guidance-note-on-succession-planning.pdf>
- <https://www.charitiesregulator.ie/media/1715/recruitment-and-induction-of-prospective-charity-trustees.pdf>
- <https://www.charitiesregulator.ie/media/1768/due-diligence-on-prospective-charity-trustees.pdf>
- <https://www.charitiesregulator.ie/media/1720/induction-pack-checklist.pdf>

Principle 5 - Working Effectively

- **CORE 5.7. Make sure all of your trustees understand their roles, their governing document and this Code.**
- Induction should include bringing new members, (and continuing members at least every three years) through the key documents of the organisation so that they fully understand all of what they are responsible for and so that they understand the policies and procedures associated with their roles
- <https://www.charitiesregulator.ie/media/1078/guidance-for-charity-trustees-july-2017.pdf>

Principle 5 - Working Effectively

- **CORE 5.8. Commit to resolving problems and emerging issues as quickly as possible**
- Hoping problems will go away doesn't usually work. Not properly tackling concerns when they come to an organisation's attention will inevitably cause bigger problems later. - A stitch in time.....
- Expect that all directors/committee members and staff will always seek to raise issues about which they have concerns in an appropriate non-conflictual way, and that there is a process of openness to hearing about problems which are thoroughly investigated, reported on, and resolved.
- Adopt a Confidential Disclosures ('Whistleblower') Policy

Principle 5 - Working Effectively

- **CORE 5.9.** From time to time, review how your board operates and make any necessary improvements
- Just because it seems to be going well is not a reason for considering how it might go better.
- Ask a trusted member or an independent specialist to confidentially review the work of the organisation where suggestions on changes might be needed to improve efficiency and performance.
- Review sub-committee performance too.

Principle 5 - Additional Standards - 1

- 5.10. Make sure you send out board packs with enough notice and include all relevant reports and explanatory papers to enable informed decision-making.
- 5.11. Make sure that you have a charity trustee succession plan in place and consider how you can maximise diversity among your charity trustees.
- 5.12. Put in place a comprehensive induction programme for new charity trustees.

Principle 5 - Additional Standards - 2

- 5.13. Conduct a regular review that includes an assessment of: the effectiveness of your board as a whole, office holders and individual charity trustees; adherence to the board code of conduct; and the structure, size, membership and terms of reference of any subcommittees.
- 5.14. Do regular skills audits and provide appropriate training and development to charity trustees. If necessary, recruit to fill any competency gaps on the board or of your charity.

Principle 5 - Additional Standards

- **ADDITIONAL 5.10. Make sure you send out board packs with enough notice and include all relevant reports and explanatory papers to enable informed decision-making.**
- As in 5.2, 5.3 & 5.4 adopt a set of Standing Orders to establish time-frames and minimum practices about getting the best from meetings through the early circulation of all relevant material and expecting that members will have read what they receive and will engage with integrity and effort to produce the best possible decisions on behalf of the organisation.
- As with 5.6 and 5.7 directors chosen for their skills and experience will raise the quality of analysis and decision making

Principle 5 - Additional Standards

- **ADDITIONAL 5.11. Make sure that you have a director/trustee succession plan in place and consider how you can maximise diversity among your directors/trustees.**
- The (company) secretary should keep a register of the appointment of directors and should flag all impending terms due to end at least six months in advance so that the board can collectively consider the skills needed for the next few years and put a suitable 'recruitment' plan in place ensure the sustainability of the organisation. A nominations committee might be established.
- Seek to have directors from differing backgrounds and experience. Consider age, gender, socio-economic background ...
- See LINKS in 5.6

Principle 5 - Additional Standards

- **ADDITIONAL 5.12. Put in place a comprehensive induction programme for new directors/trustees.**
- Everybody who joins a board or committee should be informed on all aspects of its structure and operation through an induction programme which would include all key plans, reports/audits, policies, procedures and should meet the chair and senior staff person.
- Develop a standard Induction Programme for new people whether on the Board or a subcommittee
- New members should sign Codes of Conduct and a Register of Interest.
- See LINKS at 5.6

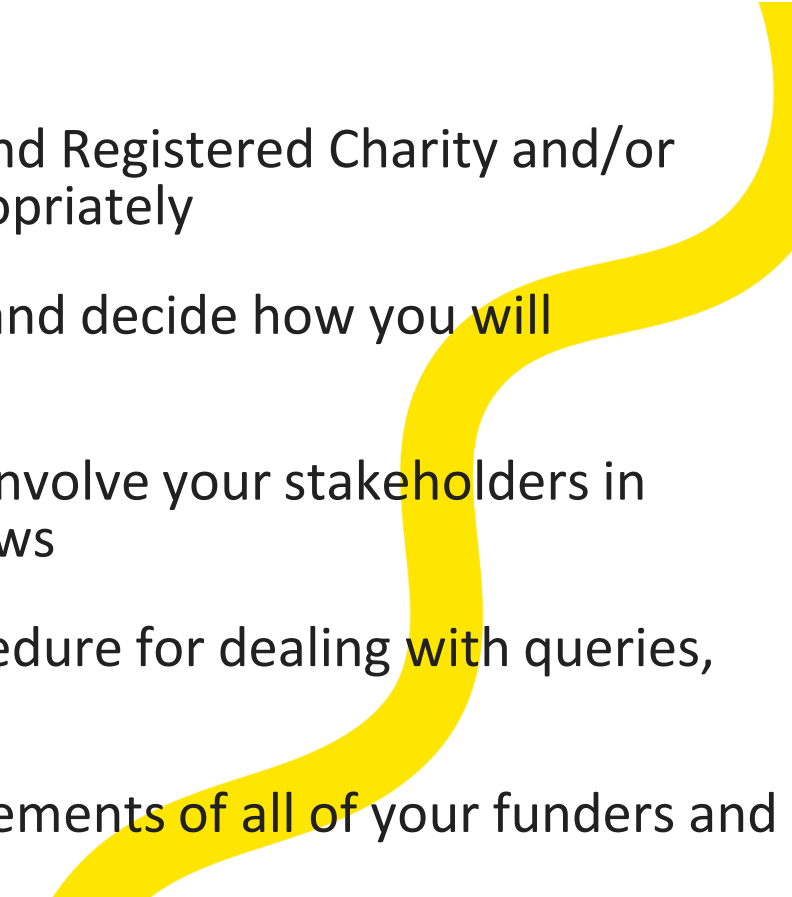
Principle 5 - Additional Standards

- **ADDITIONAL 5.13.** Conduct a regular review that includes an assessment of: the effectiveness of your board as a whole, office holders and individual directors/trustees; adherence to the board code of conduct; and the structure, size, membership and terms of reference of any subcommittees.
- For more complex organisations this can be a more in-depth review/analysis than that undertaken Core Standard 5.9.

Principle 5 - Additional Standards

- **ADDITIONAL 5.14. Do regular skills audits and provide appropriate training and development to directors/trustees. If necessary, recruit to fill any competency gaps on the board or of your organisation.**
- As in 5.1, 5.9, 5.12 the Board should always consider how to enhance the skills of current members and to recruit new members who will bring the appropriate skills to enhance the overall capacity of their collective efforts
- Report on Board and Committee members training and conference attendances

Principle 6 - Being Accountable & Transparent

- Five CORE Standards
 - 6.1. Make sure that the name and Registered Charity and/or Company Number is displayed appropriately
 - 6.2. Identify your stakeholders and decide how you will communicate with them.
 - 6.3. Decide if and how you will involve your stakeholders in planning, decision-making and reviews
 - 6.4. Make sure you have a procedure for dealing with queries, comments and complaints
 - 6.5. Follow the reporting requirements of all of your funders and donors, both public and private
- 

Principle 6 - Being Accountable & Transparent

- **CORE 6.1. Make sure that the name and Registered Organisation Number (RCN)/Company No/Revenue No of your organisation is/are displayed on all of your written materials, including your: website; social media platforms; and email communications.**
- It is important that all people who engage with an organisation know its legal form(s).
- Put all relevant details re Company name and number and/or charity number(s) (RCN/Chy) on all documents, website, (social) media, press releases.....

Principle 6 - Being Accountable & Transparent

- **CORE 6.2. Identify your stakeholders and decide how you will communicate with them.**
- It is critical in our ‘information age’ that there is a communications plan to cover all aspects of print and social media.
- Appoint a person as Communications Officer
- Identify the different interest groups (stakeholders) who you should communicate, with and how
- Have an annual plan for the type and number of communication opportunities you hope to do this year
- Report on the communications tasks undertaken
- <https://www.charitiesregulator.ie/media/1749/guidance-on-charity-communications.pdf>

Principle 6 - Being Accountable & Transparent

- **CORE 6.3. Decide if and how you will involve your stakeholders in planning, decision-making and reviews**
- Identify how different interest groups should be engaged with so that you have feedback and creative inputs to assist the organisation in serving its purpose.
- There are many who are not active who have a lot to offer and will feel more engaged if they are given options to contribute their experiences and ideas re, the strategic plan, activity reviews, service options.....
- Put structures in place to actively seek inputs and give feedback to those who make the effort even if their ideas were not used.

Principle 6 - Being Accountable & Transparent

- **CORE 6.4. Make sure you have a procedure for dealing with queries, comments and complaints**
- As with all other areas there is a need for the adoption of clear policies and procedures as to how complaints are dealt with so as to demonstrate that the organisation has a transparent, professional and timely system to register, examine and respond to questions or complaints no matter how trivial they may seem and no matter about whom/what they have been raised.
- Develop policies and procedures for handling of the above including an appeals process
- (see also 6.8)

Principle 6 - Being Accountable & Transparent

- **CORE 6.5. Follow the reporting requirements of all of your funders and donors, both public and private**
- Failing to deal in a timely and accurate manner with requirements of funders to account for the work and management of funds will lead to future problems and will create negative attitudes towards an organisation categorising it as being inefficient or lazy.
- Establish clear systems and allocate responsibilities to ensure that these requirements are fully adhered to.
- Get a reputation for early and comprehensive reporting.

Principle 6 - Additional Standards

- Three **ADDITIONAL** Standards
- 6.6. Produce unabridged (full) financial accounts and make sure that these and your charity's annual report are widely available and easy for everyone to access.
- 6.7. Make sure all the codes and standards of practice to which your organisation subscribes are publicly stated.
- 6.8. Regularly review any complaints your organisation receives and take action to improve organisational practice.


Principle 6 - Additional Standards

- **ADDITIONAL 6.6. Produce unabridged (full) financial accounts and make sure that these and your organisation's annual report are widely available and easy for everyone to access.**
- Even if it is legally possible do not publish abridged/shortened accounts. It undermines confidence and suggests there might be something to hide.
- When the annual financial statement (audited)/accounts are approved by the board/AGM make them widely available to all stakeholders.
- Produce an annual report on activities, achievements and challenges to demonstrate your work and success.
- Annual accounts and activity reports are wonderful promotional opportunities which should not be missed.

Principle 6 - Additional Standards

- **ADDITIONAL 6.7. Make sure all the codes and standards of practice to which your organisation subscribes are publicly stated.**
- Together with the standards of this Code organisations should always aspire to test themselves against any relevant other codes or standards.
- My sectors have specific standard marks/standards/codes e.g Charities SORP
- Use the achievement of standards as a 'marketing' tool to demonstrate your commitment to improving the organisations structures, policies and procedures.

Principle 6 - Additional Standards

- **ADDITIONAL 6.8. Regularly review any complaints your organisation receives and take action to improve organisational practice.**
 - Adopt a Complaints Policy and Procedures. (as in 6.4)
 - Have a complaints register and report to the Board on the range and nature of complaints and their outcomes
 - Indicate how the learning from complaints caused changes to the policies and operating procedures of the organisation.
- 

Before Workshop 4 - April 12th

- Review Principles 5 and 6 and put the documents you have to indicate compliance with each standard in its appropriate divider.
- From this begin to develop a work programme of what you need to do to write/adapt and allocate a lead person/group to do the work setting a time-frame to carry out the work.
- Look ahead at the Compliance Report Form - see next slide - which together with reports on your work on 5 & 6 will be the content of
- **Workshop 4; April 12th at 7pm**

Workshop 4 - April 12th

- Compliance Record Form
- <https://www.charitiesregulator.ie/media/1610/charities-governance-code-compliance-record-form-editable-and-downloadable.docx>
- When and How
- Comply or Explain
- Proportionality
- Resource Material
- Support Network

Carmichael.

- [charitiesregulator.ie](https://www.charitiesregulator.ie)

<https://www.charitiesregulator.ie/media/1609/charities-governance-code.pdf>

<https://www.charitiesregulator.ie/media/1610/charities-governance-code-compliance-record-form-editable-and-downloadable.docx>

- [cro.ie](https://www.cro.ie)

- www.carmichaelireland.ie/courses

- [governancecode.ie](https://www.governancecode.ie)

Guiding nonprofits
carmichaelireland.ie

senanturnbull@gmail.com