How to do a governance review and governance best practice

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Why good governance matters more now

• High risk and rapidly changing environment
• Reductions and polarisation of key funding streams
• Private sector competition
• Media hostility and tougher regulators
Tougher regulation

• Commission stance
• Auditor/SORP obligations
• Charities Act 2016
• HMRC requirements
• Other regulators’ requirements
It is easier to address your governance now

• More professional trustees
• Trustees more risk aware
• More material out there
• Fewer membership issues
• More support available
Focus of governance reviews

• Board effectiveness:
  - Trustee selection/diversity, skill audit and rotation
  - Induction
  - Meeting types
  - Performance reviews

• Updating the constitution:
  - Objects and powers
  - Conflicts of interest
  - Removing the bear traps

• Improving governance structures
• Changing the democratic model
Focus of governance reviews cont.

- Governance processes
  - Minutes, Agendas, papers and annual cycle
  - Clarity on delegation
  - Documenting policy and practice
Getting a review done

• Who are the change leaders
• The change team
  - Internal or external
• Creating a consensus as to where you are going and communicating that
• Who should be saying it
• Identifying road blocks
• Consultation, consultation, consultation
• One leap or several steps
Membership

- What is the right membership model
- Membership
  - identifying the members
  - modifying member power
- Membership v supporter – AGMs v Annual meeting
- Membership housekeeping – who is responsible
The Board

- Board size
- Multi-level structures
- Composition Rules
- Turnover
Trustee Recruitment

• Someone we know
• Elected by our members
• Mediated Election
• Representatives
• Open recruitment process
• Diversity
A Planned Recruitment Process

• Start with succession planning
• Skills audit of those remaining
• Assess what is needed:
  - continuity
  - skills
  - experience
  - connection
  - diversity
• Create a job spec with essential and preferred requirements
• Advertising/word of mouth/websites/head hunters
• Pre-meeting and interviewing – CEO/Beneficiaries?
• Conflicts and disqualifications - Safeguarding
Post governance review

• Where does responsibility for ongoing review sit
• Review effectiveness and modify
• Plan to deal with unfinished issues
• It will be easier next time
Tools to get there

• Earlier agreement on the type of review
• Obtaining buy in from the change leaders
• Identifying possible blocks
• Consulting, consulting, consulting
• Driving it with a small working group
• Documenting the process and policies
• Training on implementing those policies
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