

# 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

# Contact Details

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