Appendix 2:

Recommended Board Practices

Notes

To make it easier for you to read the recommended practices, we have used the words 'board' and 'board member' instead of 'governing body' and 'member of the governing board'. If your organisation is not a company limited by guarantee, it will not have board members. In this case, the words will refer to the management committee, co-ordinating committee, governing body, trustees, committee core group or other relevant structure which makes the final decisions for your organisation. The practices stay the same.

Board practices that do not apply for particular organisations are shaded grey in the following tables.

Principle 1: Leading our organisation

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
1.1 Agreeing our vision, purpose, mission, values and objectives and making sure that they remain relevant.	1.1 (a) Agree the purpose and objectives of your group. Discuss how the group wants to achieve its objectives and how it wants to work.	1.1 (a) Develop and agree a written statement outlining the organisation's mission, values and objectives.	1.1 (a) Agree a strategic plan for your organisation. The plan should include clear statements of your vision, mission, values and objectives.
	1.1(b) Write this out in the form of a **constitution** for the organisation.	1.1 (b) Make sure 1.1(a) is consistent with the governing document of the organisation (for example, constitution, memorandum and articles of association or deed of trust).	1.1 (b) Make sure 1.1(a) reflects the governing document of the organisation (for example, a constitution, memorandum and articles of association, or deed of trust).
	1.1 (c) Review at least every three years to ensure that the organisation is still relevant.	1.1 (c) Review at least every three years so that the organisation is still relevant.	1.1 (c) Review at least every three years so that the organisation is still relevant.
	1.1 (d) Develop and agree written policies as to how you want things to work where necessary. Review at least every three years.	1.1 (d) Work with staff to develop and agree written policy statements on how things should be done where necessary. Review at least every three years.	1.1 (d) Review and agree written policy statements on relevant operational matters, where necessary, at least every three years.

Principle 1: **Leading our organisation** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
1.2 Developing, resourcing, monitoring and evaluating a plan so that our organisation achieves its stated purpose and objectives.	**1.2 (a)** Agree and write down a work plan – ideally every year. This plan should have: • the most important actions to meet objectives; • timelines to achieve these actions; • the breakdown of the budget; and • a description of how the money will be raised.	**1.2 (a)** Work with staff to develop and agree a yearly work plan that sets out: • objectives; • timelines; • targets; • a budget; and • a funding plan.	**1.2 (a)** Agree a strategic plan for the organisation that includes: • objectives; • operational plans; • budget; • key performance indicators; and • timelines.
	1.2 (b) Agree who is going to take responsibility for the actions to carry out the plan.	**1.2 (b)** Agree board and staff roles around: • fundraising activities; • funding applications; and • contact with funders.	**1.2 (b)** Agree role of board in making sure that there are enough resources to implement the strategic plan and consider the organisation's sustainability over the long term.

Principle 1: Leading our organisation (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
1.2 continued	1.2 (c) Review the plan once a year. Have a discussion about what went well and what could be improved before agreeing a new work plan.	1.2 (c) Make sure there is a monitoring and evaluation system in place.	1.2 (c) Make sure there is a monitoring and evaluation system in place.
	1.2 (d) **Not a requirement for this category.**	1.2 (d) Ask manager to report progress compared with objectives to board on a regular basis.	1.2 (d) Invite and review report from CEO on progress compared with agreed objectives and key performance indicators.
	1.2 (e) Not a requirement for this category.	1.2 (e) Not a requirement for this category.	1.2 (e) Make sure the discussion of strategic issues is a regular item on the board agenda.

Principle 1: Leading our organisation (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
1.3 Managing, supporting and holding to account staff, volunteers and all who act on behalf of the organisation.	**1.3(a)** Set realistic goals. Divide up the work and review progress of agreed actions at the next meeting.	**1.3(a)** Make sure contracts and employment policies are in place and that they cover: • recruitment; • induction; • supervision; • appraisals; • grievance; and • disciplinary procedures.	**1.3(a)** Make sure contracts and employment policies are in place and that they cover: • recruitment; • induction; • supervision; • appraisals; • grievance; and • disciplinary procedures. • Give responsibility for implementation of board-approved human resource policies and employment contracts to Chief Executive Officer (CEO).
	1.3 (b) Chair makes sure that individual board members report to the board on work that they carry out for the organisation.	**1.3 (b)** Make sure: • formal arrangements are set up for the ongoing supervision and development of staff; and • staff appraisals are carried out at least once a year.	**1.3 (b)** Make sure: • formal arrangements are set up for the ongoing supervision and development of staff; and • formal arrangements are set up for the supervision and development of the CEO. This should include a yearly or twice-yearly appraisal.

Principle 1: **Leading our organisation** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
1.3 continued	**1.3 (c)** Where volunteers, who are not on the board, are involved make sure they are clear on their role and who they have to answer to.	**1.3 (c)** If involving volunteers, put a volunteer policy in place. This policy should cover: • recruitment; • induction; • support; • supervision; and • what happens if problems arise.	**1.3 (c)** Give responsibility for developing the volunteer policy to the CEO.
	1.3 (d) Not a requirement for this category.	**1.3 (d)** Make sure staff have up to date job descriptions.	**1.3 (d)** Delegate responsibility for job descriptions and staff supervision to CEO.
	1.3 (e) Not a requirement for this category.	**1.3 (e)** Not a requirement for this category.	**1.3 (e)** • Agree job description of CEO; • Set yearly performance expectations of CEO; and • Agree ways for CEO to report to the board.

Principle 2: Exercising control over our organisation

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
2.1 Identifying and complying with relevant legal and regulatory requirements.	**2.1 (a)** Decide if the group's current legal form is appropriate. For example, is your group: • an unincorporated association; • a company limited by guarantee; • a trust; or • a friendly society. Comply with the relevant requirements. If you decide to become a company limited by guarantee, you should follow the recommended practices for Type B Organisations.	**2.1 (a)** Decide if the organisation's current legal form is appropriate. For example, is your group, • an unincorporated association; • a company limited by guarantee; • a trust; or • a friendly society. Comply with the relevant requirements.	**2.1 (a)** Agree policies, procedures and reporting mechanisms to make sure there is compliance with all relevant legal and regulatory requirements.

Principle 2: Exercising control over our organisation (continued)

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
2.1 continued	**2.1 (b)** If the group is not a company limited by guarantee, make sure that someone is appointed (usually called a Secretary) to keep track of the group's records, meeting minutes, membership, and so on.	**2.1 (b)** If the organisation is a company limited by guarantee, appoint a board member to act as Company Secretary. A non-board member, and possibly a member of staff, but ideally not the manager, may be considered for the Company Secretary role. The person appointed, regardless of their position in the organisation, must be competent to fulfil the role and have the necessary skills, time and access to resources to carry out the role. **Where the manager is appointed as company secretary, include an explanation of this in the organisation's compliance statement. See Guidance note on the Code's website for further information.**	**2.1 (b)** If the organisation is a company limited by guarantee, appoint a board member to act as Company Secretary. A non-board member, including a member of staff, but ideally not the CEO, may be considered for the Company Secretary role. The person appointed, regardless of their position in the organisation, must be competent to fulfil the role and have the necessary skills, time and access to resources to carry out the role. A member of staff may assist the Company Secretary in carrying out duties. However, the Company Secretary is responsible for making sure that the duties associated with the role are carried out. **Where the CEO is appointed as company secretary, include an explanation of this in the organisation's compliance statement. See guidance note on the Code's website for further information.**

Principle 2: **Exercising control over our organisation** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
2.1 continued	2.1 (c) Decide if your group is a charity as defined by the Charities Act 2009. If yes, then you must register with the Charities Regulatory Authority and follow their regulations. Display your official 'registered charity number' (if you have one) on all public documentation including website, emails, headed paper and so on.	2.1 (c) Decide if your organisation is a charity as defined by the Charities Act 2009. If yes, then you must register with the Charities Regulatory Authority and follow their regulations. Display your official 'registered charity number' on all public documentation including website, emails, headed paper and so on.	2.1 (c) If your organisation is a charity as defined by the Charities Act 2009, make sure your group is registered with the Charities Regulatory Authority and that the organisation complies with all associated regulations. Display your official 'registered charity number' on all public documentation including website, emails, headed paper and so on. Invite and review reports on legal and regulatory compliance and ensure that any issues that have been identified periodically are dealt with.
	2.1 (d) Decide if you would like to have '**charitable tax exemption**' for your group (that is a CHY number) and or a Charities Regulator Authority (CRA) number. If so, apply to the Revenue Commissioners Charity Section for a CHY number and make sure your group complies with any associated regulations.	2.1 (d) Decide if you would like to have '**charitable tax exemption**' for your group (that is a CHY number). If so, apply to the Revenue Commissioners Charity Section for a CHY number and make sure your organisation complies with any associated regulations. You may also need a Charities Regulator Authority (CRA) number.	2.1 (d) Decide if you would like to have '**charitable tax exemption**' for your organisation (that is a CHY number). If so, apply to the Revenue Commissioners Charity Section for a CHY number and make sure your organisation complies with any associated regulations. You may also need a Charities Regulator Authority (CRA) number.

Principle 2: **Exercising control over our organisation** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
2.1 continued	**2.1 (e)** Make sure that your group is complying with all legal, regulatory and any contractual obligations.	**2.1 (e)** Satisfy yourselves that your group is complying with all legal, regulatory and contractual obligations. And address any issues as they arise.	**2.1 (e)** Invite and review reports on legal and regulatory compliance and make sure that any issues that have been identified from time to time are dealt with promptly.
	2.1 (f) Consider the health and safety aspects of activities. Put a plan in place to deal with any problems.	**2.1 (f)** Make sure there is a Safety Statement. This should also identify the person responsible for health and safety in the organisation. Ask this person to report on health and safety matters that arise.	**2.1 (f)** Make sure there is a Safety Statement. This should also identify the person responsible for health and safety in the organisation. Invite and review reports on any health and safety matters that arise.
	2.1 (g) Be aware of the nine grounds of discrimination. Make sure activities are as accessible as possible.	**2.1 (g)** Make sure policies regarding: • employment; • equality; and • data protection **are in place.**	**2.1 (g)** Make sure policies regarding: • employment; • equality; and • data protection **are in place.**
	2.1 (h) • Keep contact details of stakeholders with their permission in a safe place. • Do not give their details without their consent to someone outside the group. • Do not keep unnecessary personal information. • Make sure your organisation complies with data protection legislation.	**2.1 (h)** • Keep contact details of stakeholders with their permission in a safe place. • Do not give their details without their consent to someone outside the organisation. • Do not keep unnecessary personal information. • Make sure your organisation complies with data protection legislation.	**2.1 (h)** • Keep contact details of stakeholders with their permission in a safe place. • Do not give their details without their consent to someone outside the organisation. • Do not keep unnecessary personal information. • Make sure your organisation complies with data protection legislation.

Principle 2: Exercising control over our organisation (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
2.1 continued	**2.1 (i)** Comply with other law that applies to activities of a group (for example, child protection or food safety).	**2.1 (i)** Make sure other policies are in place to comply with other relevant law (for example, child protection or food safety).	**2.1 (i)** Make sure other policies are in place to comply with other relevant law (for example, child protection or food safety).
	2.1 (j) Comply with the terms and conditions of public or private grants received, including governance requirements.	**2.1 (j)** Comply with the terms and conditions of public or private grants received, including governance requirements.	**2.1 (j)** Comply with the terms and conditions of public or private grants received, including governance requirements.

Principle 2: **Exercising control over our organisation** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
2.2 Making sure there are appropriate internal financial and management controls.	**2.2 (a)** Monitor income and expenditure against the budget on a regular basis.	**2.2 (a)** Monitor income and expenditure against budget and cash-flow each quarter or more often.	**2.2 (a)** Oversee income, expenditure, cash-flow and investments.
	2.2 (b) Draw up a yearly report of income and expenditure.	**2.2 (b)** Produce yearly accounts (audited or independently examined as appropriate). Sign off on these.	**2.2 (b)** Consider whether production of accounts according to a best practice standard, for example the charity SORP (Statement of Recommended Practice), is appropriate for your organisation. Sign off on yearly audited accounts.
	2.2(c) Agree and put in place appropriate financial management procedures.	**2.2(c)** Agree and put in place appropriate financial management procedures, systems and controls.	**2.2(c)** Agree and put in place appropriate financial management procedures, systems and controls.
	2.2 (d) Not a requirement for this category.	**2.2 (d)** Agree spending limits for the manager.	**2.2 (d)** Agree level of financial authority given to CEO, finance sub-committee and senior staff.

Principle 2: Exercising control over our organisation (continued)

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
2.2 continued	2.2 (e) Not required for this category	2.2 (e) Not required for this category	**2.2 (e)** Appoint an audit committee of three or more directors. The chair of the organisation's board can be an audit committee member but cannot chair the audit committee. At least one of this committee should have recent and relevant financial experience. Have written **terms of reference** that describe the role of the committee and its responsibilities. The terms of reference should be on your website. Include specific terms of reference for **monitoring and review, approval** and **recommendations**. **Monitor and review:** • the accuracy of the financial statements of the organisation; • announcements about the organisation's financial performance and financial controls; • control and risk management systems; • the effectiveness of the organisation's internal audit role; • the external auditor's independence and the effectiveness of the audit process; • arrangements for staff to raise concerns in confidence about possible improprieties relating to financial reporting or other matters. This policy should be in line with the Protected Disclosures legislation. (The audit committee should have arrangements for independent investigation of such matters and for appropriate follow-up action.) **Approve:** • the terms of engagement of the external auditor. **Recommend:** • the pay and conditions of the board's external auditor. The board then puts these recommendations to the members for their approval in a general meeting. The organisation's annual report should include a description of the audit committee's work.

Principle 2: Exercising control over our organisation (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
2.3 Identifying major risks for our organisation and deciding ways of managing the risks.	**2.3 (a)** Think about problems that may arise, and the risks that may be needed to achieve the organisation's aims. Agree a yearly plan to deal with major risks. For example: • Garda vetting for volunteers if they work with children or vulnerable adults; • doing regular back-ups of your database or mailing list; and • monitoring the plans which have been put in place to pay back a bank loan.	**2.3 (a)** With the manager, develop a risk management policy and risk management plan for the year. This should identify the plan to deal with each risk identified. Review and update plan each year.	**2.3 (a)** Do a full risk assessment each year. This will involve regularly updating a risk register that allows for: • identifying and understanding the risks facing the organisation; • assessing and mitigating against the risks to ensure they are within the organisation's risk appetite as set by the board; and • ensuring the process's accountability and resources are in place to manage the organisation's exposure to risk.

Principle 2: Exercising control over our organisation (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
2.3 continued	**2.3 (b)** Take out appropriate insurance for example, public liability insurance or buildings insurance.	**2.3 (b)** Take out appropriate insurance for example, public liability, buildings and employers insurance.	**2.3 (b)** Delegate the responsibility of making sure there are appropriate levels of insurance and other risk treatments in place. Invite and review report each year.
	2.3 (c) If your group owns property or any assets, make sure that legal ownership is in the name of the group and that the community interest is protected if the group closes. Take legal advice if necessary.	**2.3 (c)** If the organisation owns property or any assets, make sure that legal ownership is in the name of the organisation and that the community interest is protected if the organisation ceases to exist. Take legal advice if necessary.	**2.3 (c)** If the organisation owns property or any assets, make sure that legal ownership is clearly in the name of the organisation and that the community interest is protected if the organisation ceases to exist. Take legal advice if necessary.
	2.3 (d) Not a requirement for this category.	**2.3 (d)** Not a requirement for this category.	**2.3 (d)** Delegate the responsibility of developing, testing and updating business continuity plans to the CEO. These plans will help to minimise disruption of services in a crisis.

Principle 3: Being transparent and accountable

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
3.1 Identifying those who have a legitimate interest in the work of our organisation (stakeholders) and making sure there is regular and effective communication with them about our organisation.	3.1 (a) Decide who you need to communicate with and how you will do that taking into account your time and financial resources.	3.1 (a) Identify your key stakeholders and decide how the organisation will communicate with them.	3.1 (a) Identify your key stakeholders and make sure there is a strategy in place for communicating with them appropriately.
	3.1 (b) Appoint an agreed spokesperson for the group.	3.1 (b) Appoint an agreed spokesperson for the organisation.	3.1 (b) Appoint an agreed spokesperson for the organisation.

Principle 3: **Being transparent and accountable** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
3.1 continued	3.1 (c) Produce a yearly activity report. Make it widely available (for example, on your website if you have one).	3.1 (c) Produce a yearly activity report. Make it as widely available as possible (for example, on your organisation's website).	3.1 (c) Ensure that the organisation's annual report and accounts are widely available and easy to access on the organisation's website and elsewhere. The annual report should identify the: • chair; • the deputy chair (where there is one); • the CEO; • any other members of the board and the chairs of subcommittees; and • progress during the year against your strategic objectives. It should also set out the number of meetings of the board and individual attendance by directors as well as the number of sub-committee meetings and attendance by members.

Principle 3: Being transparent and accountable (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
3.1 continued	3.1 (d) Meet the reporting requirements of any funder or relevant regulator.	3.1 (d) Meet the reporting requirements of any funder and the relevant regulator	3.1 (d) Invite and review report from CEO on compliance with reporting requirements of relevant regulators and funders (for example, Companies Registration Office, the Charity Regulator and the Regulator of Lobbying if appropriate).
	3.1 (e) Hold an annual meeting of members and anyone else who may be interested and report on the activities of the year.	3.1 (e) Make sure that the annual meeting is held in line with your governing document. Consider other ways in which members and stakeholders can be kept informed, such as a newsletter or through your website.	3.1 (e) Make sure the AGM is held in line with your governing document. Ensure that there is a communications strategy in place to keep members and stakeholders informed.
	3.1 (f) Not a requirement for this category.	3.1 (f) Not a requirement for this category.	3.1 (f) Make sure all the codes and standards of practice to which the organisation subscribes are publicly stated and available.

Principle 3: Being transparent and accountable (continued)

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
3.2 Responding to stakeholders' questions or views about our organisation's work and how we run it.	3.2 (a) Use the annual meeting to listen to people's views about the work of the organisation.	3.2 (a) Use the annual meeting to listen to the views of stakeholders about the work of the organisation.	3.2 (a) At AGMs, allow stakeholders to express their views about the organisation's work.
	3.2 (b) Put a clear system in place for dealing with correspondence, feedback and complaints to the organisation.	3.2 (b) Put a clear system in place for dealing with correspondence, feedback and complaints to the organisation.	3.2 (b) Make sure there is a clear way for stakeholders to communicate with the organisation throughout the year.
	3.2 (c) Not a requirement for this category.	3.2 (c) Not a requirement for this category.	3.2 (c) Invite and review yearly reports on complaints received, and action taken, to make sure that the complaints system is working.
	3.2 (d) Not a requirement for this category.	3.2 (d) Not a requirement for this category.	3.2 (d) Monitor key stakeholders' views on the organisation's reputation and take remedial action when necessary.

Principle 3: Being transparent and accountable (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
3.3 Encouraging and enabling engagement with those who benefit from our organisation in the planning and decision-making of the organisation.	**3.3 (a)** Actively seek feedback from the stakeholders of your group. (This could be done regularly on a word of mouth basis, or you may want to do something more formal such as a yearly survey.)	**3.3 (a)** Actively seek feedback from the stakeholders of your organisation.	**3.3 (a)** Make sure that your stakeholders are consulted during the strategic planning process.
	3.3 (b) Use the annual meeting to consult with your stakeholders if you are planning to make significant changes to the way that you do things.	**3.3 (b)** Consult with stakeholders if significant changes to the organisation are being planned.	**3.3 (b)** Make sure stakeholders are appropriately involved in decision-making processes.

Principle 4: Working effectively

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
4.1 Making sure that our governing body, individual board members, committees, staff and volunteers understand their: • role, • legal duties, and • delegated responsibility for decision-making.	4.1 (a) Make sure that all board members and sub-committee members (if any) understand and are familiar with the Governance Code and the constitution.	4.1 (a) Make sure that all board members and sub-committee members (if any) understand and are familiar with the Governance Code and the organisation's governing documents.	4.1 (a) Make sure the board induction process includes an overview of: a) the organisation's strategic objectives; b) the role of the board and individual board members; c) the organisation's finances and funding model; d) the Governance Code and the organisation's governing document; e) the letter of appointment for new board members; and f) other board specific policies. It is also good practice to include this information in a board handbook/manual.

Principle 4: **Working effectively** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
4.1 continued	**4.1 (b)** Make sure that board members understand that while they were nominated by a particular group, they must not act as a representative of that group in acting as a board member. Instead, they should promote the aims of the organisation in line with its governing document. Board members must at all times respect board confidentiality.	**4.1 (b)** Make sure that board members understand that while they were nominated by a particular group, they must not act as a representative of that group in acting as a board member. Instead, they should promote the aims of the organisation in line with its governing document. Board members must at all times respect board confidentiality.	**4.1 (b)** Make sure that board members understand that while they were nominated by a particular group, they must not act as a representative of that group in acting as a board member. Instead, they should promote the aims of the organisation in line with its governing document. Board members must at all times respect board confidentiality.
	4.1 (c) Identify a chair, secretary and treasurer for the group and decide when and how the positions will be rotated.	**4.1 (c)** Agree and document the roles of the officers and ordinary board members and the terms of reference for any sub-committees.	**4.1 (c)** Appoint a sub-committee with a governance remit to do a yearly review of: • board roles; • the board's terms of reference; • membership of board and sub-committees; and • your organisation's adherence to the Governance Code's recommended practices.
	4.1 (d) Decide and record how decisions will be taken at meetings and between meetings if necessary.	**4.1 (d)** Agree and write up a process for decision-making between meetings. Agree the decisions that can be delegated and the decisions that must be taken by the board. Make sure that this is in line with the governing document and get advice if not.	**4.1 (d)** Make sure there is a copy of the schedule of matters reserved to the board in the board handbook. ('Schedule of matters reserved' is defined in the glossary)

Principle 4: **Working effectively** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
4.1 continued	4.1 (e) Not a requirement for this category.	4.1 (e) Clarify the differences between the responsibilities of the board and the manager.	4.1 (e) Make sure there is a written statement of the division of responsibilities between the Board and CEO including the CEO's delegated authorities.
	4.1 (f) Not a requirement for this category.	4.1 (f) Make sure that board members do not interfere in duties delegated to staff. However, staff should be accountable to the board through the manager.	41 (f) Make sure that board members do not interfere in duties properly delegated to staff. However, staff should be accountable to the board through the CEO.
	4.1 (g) Not a requirement for this category.	4.1 (g) Not a requirement for this category.	4.1 (g) Make sure newly appointed board members sign a code of conduct and terms of reference setting out their '**fiduciary duties**'. These are the legal duties of one party to act in the best interests of another. These duties relate mainly to assets, property, statutory obligations and the organisation's expectations of board members.

Principle 4: Working effectively (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
4.2 Making sure that as a board we exercise our collective responsibility through board meetings that are efficient and effective.	**4.2 (a)** Have regular meetings with sufficient notice.	**4.2 (a)** Make sure that the board meets regularly and in line with your governing document.	**4.2 (a)** Make sure that the board meets regularly and in line with your governing document.
	4.2 (b) Have an agenda for each meeting.	**4.2 (b)** The chair with the manager or secretary sets the agenda of board meetings.	**4.2 (b)** The chair and CEO agree the agenda of board meetings.
	4.2 (c) Take minutes and agree them at the next meeting.	**4.2 (c)** Agenda and minutes of last meeting to be sent before meeting.	**4.2 (c)** Agenda, minutes of last meeting and reports or papers outlining proposals to be sent before meeting in an accurate, timely and clear manner.

Principle 4: **Working effectively** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
4.2 continued	**4.2 (d)** Start and finish meetings on time. Chair keeps order at meetings, encourages participation and ensures that decisions are made.	**4.2 (d)** Start and finish meetings on time. Chair is responsible for: • keeping order at meetings; • encouraging maximum participation; and • ensuring that decisions are made and implemented.	**4.2 (d)** The chair is responsible for ensuring: • board meetings run to time; • enough time is allowed for discussion; • maximum participation of board members; • adequate information is available; and • that decisions are made and implemented.
	4.2 (e) Not a requirement for this category.	**4.2 (e)** • Make sure board minutes follow a consistent and standard practice.	**4.2 (e)** • Make sure board minutes follow a consistent and standard practice.
	4.2 (f) Not a requirement for this category.	**4.2 (f)** Not a requirement for this category.	**4.2 (f)** Make sure that individual board members have reasonable access to independent professional advice (for example, financial or legal advice) where they think it necessary to fulfil their responsibilities.

Principle 4: Working effectively (continued)

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
4.3 Continually reviewing board recruitment, development and retirement processes to ensure relevant competencies are in place to realise the organisation's objectives.	4.3 (a) Take time once a year to identify ways in which the working of the board could be improved.	4.3 (a) Take time once a year to review the way that the board works and identify improvements.	4.3 (a) Agree a yearly board review process which should include, but not be limited to, an assessment of the effectiveness of: • the board as a whole; • the chair; • individual board members; • committees including structure, size, and charters; and • director training; and • recruitment plans. The primary purpose of such reviews should be to assess how well the board has formulated, resourced and overseen the achievement of the annual milestones in the board's strategic plan.

Principle 4: **Working effectively** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
4.3 continued	4.3 (b) Take time once a year to discuss who might be interested in joining the board and who might want to leave. Agree who you would like to invite onto the board, bearing in mind the need for a mix of skills and diversity in terms of background and experience. (Make sure that you follow your own rules about election to the board as laid out in your constitution.) Consider the extent to which your board is made up of member representatives, beneficiaries or external representatives to avoid loyalty dilemmas and decide what the best mix is.	4.3 (b) Review the skills, attributes and experience that are needed on the board each year. Decide how you will develop existing board members or recruit new members to meet these needs. Select new board members according to the rules laid out in your governing document and the need to promote equal opportunities and diversity at board level. Consider the extent to which your board is made up of member representatives, beneficiaries or external representatives to avoid loyalty dilemmas and decide what the best mix is.	4.3 (b) Agree a board succession plan that will ensure that future recruitment: • meets the need for a mix of skills and experience identified in the annual competency gap-analysis; • embraces the board's diversity and ethical culture; and • sets director term limits to ensure board renewal cycles. Consider the extent to which your board is made up of member representatives, beneficiaries or external representatives to avoid loyalty dilemmas and decide what the best mix is.

Principle 4: **Working effectively** (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
4.3 continued	**4.3 (c)** Welcome new board members, explain the work of the board and its committees and help them to get involved. Make sure they have a copy of the constitution and this Governance Code.	**4.3 (c)** Welcome new board members, explain the work of the board and its committees and help them to get involved. Make sure new board members are given a copy of the governing document, yearly work plan, policy positions, recent board minutes and this Governance Code.	**4.3 (c)** Agree and put a comprehensive induction programme in place for new board members. Make sure new members develop a clear understanding of their roles and responsibilities including compliance with the principles of this Governance Code. Agree a skills development programme to fill gaps in the new board members' competencies needed for their role.
	4.3 (d) Not a requirement for this category.	**4.3 (d)** Provide appropriate training for board members.	**4.3 (d)** Provide appropriate ongoing training for board members to fill any competency gaps.

Principle 5: Behaving with integrity

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
5.1 Being honest, fair and independent.	**5.1 (a)** Make sure the chair leads the board in developing an ethical culture in line with the values of the organisation.	**5.1 (a)** Make sure the chair leads the board in developing an ethical culture in line with the values of the organisation.	**5.1 (a)** Make sure the chair leads the board in developing an ethical culture in line with the values of the organisation.
	5.1 (b) Develop and agree a code of conduct or set ground rules for board or committee members.	**5.1 (b)** Develop and agree a **code of conduct** for board members that outlines the expected standards of behaviour and what happens if they are not met.	**5.1 (b)** Develop and agree a code of conduct for board members that outlines the expected standards of behaviour and what happens if they are not met.
	5.1 (c) Make sure the code of conduct gives clear guidelines on the receipt of gifts or hospitality by board members.	**5.1 (c)** Make sure the code of conduct gives clear guidelines on the receipt of gifts or hospitality by board members.	**5.1 (c)** Make sure the code of conduct gives clear guidelines on the receipt of gifts or hospitality by board members.

Principle 5: Behaving with integrity (continued)

Sub-principle	Recommended board practices		
	Type A	**Type B**	**Type C**
5.1 continued	5.1 (d) Make sure all board members sign a commitment to the code.	5.1 (d) Make sure all board members sign a commitment to follow the code when they are appointed.	5.1 (d) Make sure all board members sign a commitment to follow the code when they are appointed.
	5.1 (e) Review your code of conduct at least every three years.	5.1 (e) Review your code of conduct every three years.	5.1 (e) Review your code every three years to ensure it meets developing ethical standards expected by stakeholders and society.
	5.1 (f) Be fair by consistently applying the same ethical standards to every person and situation.	5.1 (f) Be fair by consistently applying the same ethical standards to every person and situation.	5.1 (f) Be fair by consistently applying the same ethical standards to every person and situation.

Principle 5: Behaving with integrity (continued)

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
5.2 Understanding, declaring and managing conflicts of interest and conflicts of loyalties.	5.2 (a) Hold a discussion about the issues of 'conflict of interest' and 'conflict of loyalty.' Develop a policy on each of these.	5.2 (a) Hold a discussion about the issues of 'conflict of interest' and 'conflict of loyalty.' Develop a policy on each of these.	5.2 (a) Hold a discussion about the issues of 'conflict of interest' and 'conflict of loyalty.' Develop a policy on each of these.
	5.2 (b) Each board member and anyone else present must **tell the board if they believe they have a conflict of interest** on a matter to be decided on at a meeting. Unless the board decides otherwise, they must leave when the board is discussing or deciding on that matter. The person concerned should be told what decision was reached. Conflicts of interest must be recorded in the minutes. Conflicts of loyalty may be serious enough to be conflicts of interest.	5.2 (b) Each board member and anyone else present must **tell the board if they believe they have a conflict of interest** on a matter to be decided at the meeting. Unless the board decides otherwise, they must leave when the board is discussing or deciding on that matter. The person concerned should be told what decision was reached. Conflicts of interest must be recorded in the minutes. Conflicts of loyalty may be serious enough to be conflicts of interest.	5.2 (b) Each board member and anyone else present must tell the board if they believe they have a conflict of interest on a matter to be decided at the meeting. Unless the board decides otherwise, they must leave when the board is discussing or deciding on that matter. The person concerned should be told what decision was reached. Conflicts of interest must be recorded in the minutes. Conflicts of loyalty may be serious enough to be conflicts of interest.

Principle 5: Behaving with integrity (continued)

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
5.2 continued	**5.2 (c)** Not a requirement for this category.	**5.2 (c)** Establish a register of directors' interests. Update it each year. Board members **must** notify the board of any relevant changes in their interests when they happen. These should be recorded in the register.	**5.2 (c)** Establish a register of directors' interests. Update it each year. Board members **must** notify the board of any relevant changes in their interests when they happen. These should be recorded in the register.
	5.2 (d) Not a requirement for this category.	**5.2 (d)** Not a requirement for this category.	**5.2 (d)** Make sure the board induction process includes information and policies about conflicts of interest and conflicts of loyalty.

Principle 5: Behaving with integrity (continued)

Sub-principle	Recommended board practices		
	Type A	Type B	Type C
5.3 Protecting and promoting our organisation's reputation.	**5.3 (a)** Make sure all board members understand their responsibility to act as champions for the group by promoting its work and reputation.	**5.3 (a)** Make sure all board members understand their responsibility to act as champions for the organisation by promoting its work and reputation.	**5.3 (a)** Make sure all board members understand their responsibility to act as champions for the organisation by promoting its work and reputation.
	5.3 (b) Make sure the code of conduct clarifies that board members have a duty to maintain the confidentiality of board meetings.	**5.3 (b)** Make sure the code of conduct clarifies that board members have a duty to maintain the confidentiality of board meetings.	**5.3 (b)** The board should have a formal policy on board and sub-committee confidentiality.
	5.3 (c) Not a requirement for this category.	**5.3 (c)** Not a requirement for this category.	**5.3 (c)** Make sure the safeguarding and promoting of the organisation's reputation is dealt with in the communications and risk management strategies.