

Amersham United Charities – Governance Code

In this document **Board** means all the appointed trustees.

The term **Governing Document** refers to the Charity Commission Scheme dated 29 May 2001, amended on 25 November 2009, and further amended on 5 August 2016.

This document sets down the arrangements for the Good Governance of Amersham United Charities (**the Charity**). This covers the Almshouse Charity, the Charity for Young Persons and the Charity for the Poor.

Principle 1. Organisational Purpose

Principle:

The Board is clear about the Charity's aims and ensures that these are being delivered effectively and sustainably.

Rationale:

Charities exist to fulfil their charitable purposes. The trustees have a responsibility to understand the environment in which the Charity is operating and to lead the Charity in fulfilling its purposes as effectively as possible with the resources available. To do otherwise would be failing residents and other beneficiaries, funders, stakeholders and supporters.

The Board's core role is a focus on strategy, performance and assurance.

Key outcomes:

- 1.1 The Board has a shared understanding of and commitment to the Charity's purposes and can articulate these clearly.
- 1.2 The Board is able to demonstrate that the Charity is effective in achieving its charitable purposes and agreed outcomes.

Practices:

- 1.3 Determining organisational purpose:
 - 1.3.1 The Board periodically reviews the Charity's charitable purposes, and the external environment in which it operates, to make sure that the Charity, and its purposes, stay relevant and valid.
 - 1.3.2 The Board leads the development of, and agrees, a plan that aims to achieve the Charity's charitable purposes and is clear about the desired outputs, outcomes and impacts.
- 1.4 Achieving the purpose:
 - 1.4.1 All trustees can explain the Charity's public benefit.

- 1.4.2 The Board evaluates the Charity's impact, outputs and outcomes on an ongoing basis.
- 1.5 Analysing the external environment and planning for sustainability:
 - 1.5.1 The Board regularly reviews the sustainability of its income sources and their impact on achieving the charitable purposes in the short, medium and longer term.
 - 1.5.2 The Board recognises its broader responsibilities towards communities, stakeholders, wider society and the environment, and acts on them in a manner consistent with the Charity's purposes, values and available resources.

Principle 2. Leadership

Principle:

The Charity has an effective Board that provides strategic leadership in line with the Charity's aims and values.

Rationale:

Strong and effective leadership helps the Charity adopt an appropriate **plan** for effectively delivering its aims. It also sets the tone for the Charity, including its vision, values and reputation.

Key outcomes:

- 2.1 The Board, as a whole, and trustees individually, accept collective responsibility for ensuring that the Charity has a clear and relevant set of aims and an appropriate plan for achieving them.
- 2.2 The Board agrees to the Charity's vision, values and reputation and leads by example, requiring that anyone representing the Charity reflect its values positively.
- 2.3 The Board makes sure that the Charity's values are reflected in all of its work, and that the ethos and culture of the Charity underpin the delivery of all activities.

Practices:

- 2.4 Leading the Charity:
 - 2.4.1 The Board and individual trustees take collective responsibility for its decisions.
 - 2.4.2 The Chair provides leadership to the Board and takes responsibility for ensuring the Board has agreed priorities, appropriate structures, processes and a productive culture, and has trustees who are able to govern well and add value to the Charity.

- 2.4.3 The Board makes sure that there are proper arrangements for the appointment, supervision, support and appraisal of the Clerk, and for the agreement of the Clerk's honorarium.
- 2.4.4 The Board's functions and decisions are formally recorded. There are role descriptions that define all trustees' responsibilities that differentiate clearly between the responsibilities of the Chair and other officer positions, and outline how these roles relate to that of the Clerk.
- 2.5 Leading by example:
 - 2.5.1 The Board agrees the values, consistent with the Charity's purposes, that it wishes to promote and makes sure that these values underpin all its decisions and the Charity's activities.
 - 2.5.2 The Board recognises, respects and welcomes diverse, different and, at times, conflicting trustee views.
 - 2.5.3 The Board provides oversight and direction to the Charity and provides support and constructive challenge to the Charity.
 - 2.5.4 The Board supports the Clerk to feel confident and able to provide the information, advice and feedback necessary to the Board.
- 2.6 Commitment:
 - 2.6.1 All trustees give sufficient time to the Charity to carry out their responsibilities effectively. The expected time commitment is made clear to trustees before nomination or appointment and again on acceptance of nomination or appointment.

Principle 3. Integrity

Principle:

The Board acts with integrity, adopting values and creating a culture which helps achieve the Charity's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.

Rationale:

The Board has ultimate responsibility for the Charity's funds and assets, including its reputation. Trustees should maintain the respect of residents and other beneficiaries, stakeholders and the public by behaving with integrity, even where difficult or unpopular decisions are required. Not doing this risks bringing the Charity and its work into disrepute.

Key outcomes:

- 3.1 The Board acts in the best interest of the Charity, the residents and other beneficiaries. The Board is not unduly influenced by those who may have special interests, and places the interest of the Charity before any personal

interest of trustees. This applies whether trustees are appointed by election or nomination. Collectively, the Board is independent in its decision making.

- 3.2 The Board safeguards and promotes the Charity's reputation and, by extension, promotes public confidence in the wider voluntary sector.
- 3.3 The Board are seen to be acting with integrity, and in line with the values of the Charity.

Practices:

- 3.4 Maintaining the Charity's reputation:
 - 3.4.1 Trustees adhere to the Charity Commission's guidance specified in item 8.3 of this Code.
 - 3.4.2 The Board considers how the Charity is perceived by other people, and organisations, involved with the Charity and the public. It makes sure that the Charity operates responsibly and ethically, in line with its own aims and values.
 - 3.4.3 The Board ensures that the Charity follows the law.
- 3.5 Identifying, dealing with and recording conflicts of interest/loyalty:
 - 3.5.1 The Board understands how real and perceived conflicts of interests and conflicts of loyalty can affect the Charity's performance and reputation.
 - 3.5.2 Trustees disclose any actual or potential conflicts to the Board, and these are dealt as required by the Charity's Governing Document, and a conflicts of interest policy which is regularly reviewed.
 - 3.5.3 Registers of trustees relevant interests, hospitality and gifts are kept and made available to stakeholders in line with the Charity's agreed policy on disclosure of such matters.
 - 3.5.4 Trustees maintain their independence, and tell the Board if they feel influenced by any interest, or whether it may be perceived that they are being influenced by having such a conflict.

Principle 4. Decision making, risk and control

Principle:

The Board makes sure that its decision-making processes are informed, rigorous and timely, and that effective delegation, control, risk-assessment, and management systems are set up and monitored.

Rationale:

The Board is ultimately responsible for the decisions and actions of the Charity, but it cannot and should not do everything. The Charity's Governing Document sets down

the powers of the Board to make decisions on the management and administration of the Charity. The Board decides which matters it will make decisions about and which it can and will delegate.

The Board delegates authority but not ultimate responsibility, and the Board implements suitable financial and related controls and reporting arrangements to make sure it oversees these delegated matters. Trustees also identify and assess risks and opportunities for the Charity and decide how best to deal with them, including assessing whether they are manageable or worth taking.

Key outcomes:

- 4.1 The Board is clear that its main focus is on planning, performance and assurance, rather than operational matters, and reflects this in what it delegates.
- 4.2 The Board has a sound decision-making and monitoring framework which helps the Charity deliver its charitable purposes. It is aware of the range of financial and non-financial risks it needs to monitor and manage.
- 4.3 The Board promotes a culture of sound management of resources, but also understands that being over-cautious and risk averse can itself be a risk and hinder innovation.
- 4.4 Where aspects of the Board's role are delegated to the Clerk, the Board keeps responsibility and oversight.

Practices:

- 4.5 Delegation and control:
 - 4.5.1 The Board regularly reviews which matters are reserved to the Board and which can be delegated. It collectively exercises the powers of delegation to individual trustees or the Clerk.
 - 4.5.2 The Board has a delegation policy which provides sufficient detail and clear boundaries so that the delegations can be clearly understood and carried out.
 - 4.5.3 The Board assures itself that when supplies or services are used, this work is carried out in the interests of the Charity and in line with its values and the agreement between the Charity and supplier. The Board makes sure that such agreements are regularly reviewed to make sure they are still appropriate.
 - 4.5.4 The Board regularly checks the Charity's key policies and procedures to ensure that they still support, and are adequate for, the delivery of the Charity's aims.
- 4.6 Managing and monitoring organisational performance:
 - 4.6.1 The Board makes sure that operational plans and budgets are in line with the Charity's purposes, aims and resources.

- 4.6.2 The Board regularly monitors performance, and checks this performance against the Charity's aims, operational plans and budgets.
- 4.6.3 The Board agrees what information is needed to assess delivery against agreed plans, outcomes and timescales. Trustees share timely, relevant and accurate information in an easy to understand format.
- 4.7 Actively managing risks:
 - 4.7.1 The Board has responsibility for risk management, and discusses and decides the level of risk it is prepared to accept for specific and combined risks.
 - 4.7.2 The Board regularly reviews the Charity's specific significant risks and the effect of these risks added together. It makes plans to mitigate and manage these risks appropriately.
 - 4.7.3 The Board puts in place, and regularly checks, the Charity's process for identifying, prioritising, escalating and managing risks and, where applicable, the Charity's system of internal controls to manage these risks. The Board reviews the effectiveness of the Charity's approach to risk at least every year. The Board describes the Charity's approach to risk in its annual report.
- 4.8 Appointing external examiners:
 - 4.8.1 The Board agrees and oversees an effective process for appointing and reviewing its external examiners.

Principle 5. Board effectiveness

Principle:

The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

Rationale:

The Board has a key impact on whether a Charity thrives. The tone the Board sets through its leadership, behaviour, culture and overall performance is critical to the Charity's success. It is important to have a rigorous approach to trustee recruitment, performance and development, and to the Board's conduct. In an effective team, the trustees feel it is safe to suggest, question and challenge ideas and address, rather than avoid, difficult topics.

Key outcomes:

- 5.1 The Board's culture, behaviours and processes help it to be effective. This includes accepting and resolving challenges or different views.
- 5.2 All trustees have appropriate skills and knowledge of the Charity, and can give enough time to be effective in their role.

- 5.3 The Chair enables the Board to work as an effective team by developing strong working relationships between trustees, and creates a culture where differences are aired and resolved.
- 5.4 The Board takes decisions collectively and confidently. Once decisions are made the Board unites behind them and accepts them as binding.

Practices:

- 5.5 Working as an effective team:
 - 5.5.1 The Board meets as often as it needs to be effective.
 - 5.5.2 The Chair, working with trustees and the Clerk, plans the Board's work and meetings, making sure trustees have the information, time and space they need to explore key issues and reach well-considered decisions.
 - 5.5.3 The Board regularly discusses its effectiveness and its ability to work together as a team, including individuals' motivations and expectations about behaviours. Trustees take time to understand each other's motivations to build trust within the Board, and the Chair asks for feedback on how to foster an environment where trustees can constructively challenge each other.
 - 5.5.4 Where significant differences of opinion arise, trustees take time to consider the range of perspectives and outcomes, respecting all viewpoints and the value of compromise in Board discussions.
 - 5.5.5 The Board collectively can get independent, professional advice in areas such as governance, the law and finance. This is either on a pro-bono basis or at the Charity's expense if needed for the Board to discharge its duties.
- 5.6 Reviewing the Board's composition:
 - 5.6.1 The Board has, and regularly considers, the skills, knowledge and experience it needs to govern, lead and deliver the Charity's purposes effectively. It reflects this mix in its trustee appointments, balancing the need for continuity with the need to refresh the Board.
 - 5.6.2 The size of the Board complies with that laid down in the Governing Document.
- 5.7 Overseeing appointments:
 - 5.7.1 There is a formal, rigorous and transparent procedure to appoint new trustees to the Board, conforming to the requirements of the Governing Document.
 - 5.7.2 The search for new trustees is carried out, and appointments are made on merit, against objective criteria and considering the benefits of

diversity. The Board regularly looks at what skills it has and needs, and this effects how new trustees are found.

- 5.7.3 Trustees are appointed or reappointed in accordance with the Governing Document. If a trustee has served on the Board for more than nine years, their reappointment is (i) subject to a particularly rigorous review and takes into account the need for progressive refreshing of the Board, and (ii) explained in the Charity's annual report.

5.8 Developing the Board:

- 5.8.1 Trustees receive an appropriately resourced induction when they join the Board that includes meetings with other trustees and the Clerk, and covers all areas of the Charity's work.
- 5.8.2 The Board reviews its own performance, including that of the Chair. These reviews consider the Board's balance of skills, experience and knowledge, its diversity, how it works together and any other factors that affect its effectiveness.
- 5.8.3 Trustees monitor and review their own performance.

Principle 6. Diversity

Principle:

The Board's approach to diversity supports its effectiveness, leadership and decision making.

Rationale:

Diversity, in the widest sense, is essential for Boards to stay informed and responsive, and to navigate the fast-paced and complex changes facing the voluntary sector. Boards whose trustees have different backgrounds and experience are more likely to encourage debate and to make better decisions.

The term 'diversity' includes the nine protected characteristics of the Equality Act 2010 (age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and beliefs; sex, and sexual orientation) as well as different backgrounds, life experiences, career paths and diversity of thought. The Board should try to recruit people who think in different ways, as well as those who have different backgrounds.

Key outcomes:

- 6.1 The Board is more effective if it includes a variety of perspectives, experiences and skills.
- 6.2 The Board ensures that the Charity follows principles of equality and diversity.

Practices:

6.3 Encouraging inclusive and accessible participation:

- 6.3.1 The Board periodically takes part in training and/or reflection about diversity and understands its responsibilities in this area.
- 6.3.2 The Board makes a positive effort to remove, reduce or prevent obstacles to people becoming trustees, allocating budgets where necessary to achieve this within the Charity's available resources.
- 6.3.3 The Chair regularly asks for feedback on how meetings can be made more accessible and how to create an environment where trustees can constructively challenge each other and all voices are equally heard.

6.4 Recruiting diverse trustees:

- 6.4.1 The Board regularly looks at the skills, experience and diversity of background of the trustees to find imbalances and gaps, informing trustee recruitment and training.
- 6.4.2 The Board sees diversity, in all its forms, as an important part of its regular Board reviews. The Board recognises the value of a diverse Board and sets suitable diversity objectives.
- 6.4.3 When deciding how to recruit trustees, the Board thinks about how to attract a diverse pool of candidates. It tries to have diversity in any trustee appointment panels.

6.5 Monitoring and reporting on diversity

- 6.5.1 Trustees ensure that there are plans in place to monitor and achieve the Board's diversity objectives.
- 6.5.2 The Board publishes a description of what steps it has taken to address the diversity and accessibility of the Board.

Principle 7. Openness and accountability

Principle:

The Board leads the Charity in being transparent and accountable. The Charity is open in its work, unless there is good reason for it not to be.

Rationale:

The public's trust that a charity is delivering public benefit is fundamental to its reputation and success, and by extension, the success of the wider voluntary sector. Making accountability real, through genuine and open two-way communication that celebrates successes and demonstrates willingness to learn from mistakes, helps to build this trust and confidence and earn legitimacy.

Key outcomes:

- 7.1 The Charity's work and impact are appreciated by all its stakeholders.
- 7.2 The Board ensures that the Charity's performance and interaction with its stakeholders are guided by the values, ethics and culture put in place by the Board. Trustees make sure that the Charity is seen by stakeholders promoting ethical conduct.
- 7.3 The Board takes seriously its responsibility for building public trust and confidence in its work.
- 7.4 The Charity is seen to have legitimacy in its representation to its residents and other beneficiaries, and stakeholders.
- 7.5 Communicating and consulting effectively with stakeholders.
 - 7.5.1 The Board identifies the key stakeholders with an interest in the Charity's work.
 - 7.5.2 The Board makes sure that there is a plan for regular and effective communication with stakeholders about the Charity's purposes, values, work and achievements, including information that enables stakeholders to measure the Charity's success in achieving its purposes.
 - 7.5.3 As part of this plan the Board thinks about how to communicate how the Charity is governed, who the trustees are and the decisions it makes.
 - 7.5.4 The Board ensures that stakeholders have an opportunity to hold the Board to account.
 - 7.5.5 The Board makes sure it communicates with stakeholders about significant changes to the Charity's services and policies.
- 7.6 Developing a culture of openness within the Charity:
 - 7.6.1 The Board gets regular reports on the positive and negative feedback, and complaints, given to the Charity. It demonstrates that it learns from mistakes and uses this learning to improve performance and internal decision making.
 - 7.6.2 The Board makes sure there is a transparent, well-publicised, effective and timely process for making and handling a complaint, and that any internal or external complaints are handled constructively, impartially and effectively.
 - 7.6.3 The Board keeps a register of relevant interests for trustees, and agrees an approach on how these are communicated publicly.

8. Foundation; the trustee role and charity context

Trustees:

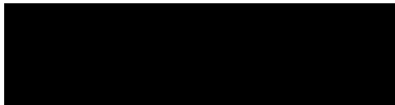
- 8.1 are committed to the Charity's cause and have joined its Board because they want to help the Charity deliver its purposes most effectively for public benefit.
- 8.2 recognise that meeting the Charity's stated public benefit is an ongoing requirement.
- 8.3 understand their roles and legal responsibilities and, in particular, have read and understand the Charity Commission's guidance in link '*The essential trustee : what you need to know and what you need to do*'.
- 8.4 understand the Charity's Governing Document.
- 8.5 are committed to good governance and want to contribute to the Charity's continued improvement.

9. Review

The Board will review the contents of, and compliance with, this Governance Code on an annual basis.

10. Approval

This Governance Code has been approved by the Board of Amersham United Charities.

Signature:  (Chair)

Name: Susan Thomas Pounce

Date: 6th July 2022

Reviewed and no changes :10th March 2022