



Charity Governance Code 2025

The Charity Governance Code is authored by a cross-sector voluntary steering group.

Group members



Observer



Overview

Good governance helps charities achieve their goals.

The Code sets out universal principles of governance for charities to consider and helps to shape a common view of what good looks like.

Compliance with the Code is not a regulatory requirement. It is the Charity Commission, and in some cases other regulators, and charity law, that tells charities about what they must do. The Code draws upon, but is fundamentally different to, the Charity Commission's guidance. It is a practical tool for trustees to encourage discussion about standards, behaviours and processes that are helpful in cultivating good governance.

Meeting the Code's principles and outcomes would provide strong assurance to external stakeholders that a charity is well governed.

For resources and the most updated version of the code, please visit charitygovernancecode.org.uk

The principles

The Code is based on eight principles, which build on the assumption that a charity is meeting its legal and regulatory responsibilities as a foundation.





Contents

- 1. Foundation principle 6
- 2. Organisational purpose 11
- 3. Leadership..... 16
- 4. Ethics and culture 21
- 5. Decision making..... 26
- 6. Managing resources and risks 31
- 7. Equity, diversity and inclusion..... 36
- 8. Board effectiveness 41



1. Foundation principle





1. Foundation principle

Behaviours

Policy, processes
and practice

Suggested evidence
and assurance

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Trustees take responsibility for, and invest the necessary time and care, in understanding the charity, their responsibilities and legal duties.

You know it's working when:

1. Trustees understand their role and are committed to doing a good job, ensuring continuous learning and sufficient time for their responsibilities.
2. Trustees have a good understanding of the charity's governing document, purposes and how the charity delivers public benefit.
3. Trustees have an up-to-date understanding of how charity law and wider regulation relate to their charity's work.
4. Trustees uphold and promote standards of good governance, and work to ensure that the role of the board is understood and valued throughout the charity.
5. Trustees identify and manage conflicts of interest, making sure the charity and its aims are put first in decision making.



1. Foundation principle

Behaviours

Policy, processes
and practice

Suggested evidence
and assurance

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

- Trustees dedicate time to their own induction and to supporting new trustees
- Trustees are curious and keen to learn
- Trustees invest time in staying up to date with regulatory changes and advice
- Trustees share their experience and expertise
- Trustees maintain confidentiality as appropriate
- Trustees recognise and are open about any conflicts between their personal interests and those of the charity
- Trustees recognise that they have both individual and shared responsibilities

1. Foundation principle

Behaviours

Policy, processes and practice

Suggested evidence and assurance

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Policy, processes and practice

- The charity has an agreed process for inducting new trustees which includes:
 - a focus on charitable objects
 - legal duties of charities and trustees
 - potential liabilities associated with their role
 - specific information relevant to the charity and its particular circumstances
- All trustees have access to Charity Commission Guidance, in particular The Essential Trustee (CC3)
- Expectations of trustees (including time commitment, conduct and areas for which they should take personal responsibility) are made clear by the charity
- The board regularly finds opportunities to refresh and update its understanding of the wider context within which charities operate
- The board communicates about its work to internal and external stakeholders
- The charity has a policy and process for managing conflicts of interest, and for the acceptance of gifts and hospitality



1. Foundation principle

Behaviours

Policy, processes
and practice

**Suggested evidence
and assurance**

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Suggested evidence and assurance

- A trustee role description
- An induction checklist
- Induction training
- All trustees have a copy of the charity's governing document
- Trustees are signposted to additional regulatory guidance from the Charity Commission and other relevant regulators
- A conflicts of interest policy, declarations of interests recorded in minutes, an up-to-date register of interests
- A trustee code of conduct
- Evidence of meeting attendance and preparation

Applies to large charities only:

- A governance handbook



2. Organisational Purpose



1. Foundation principle

2. Organisational purpose

Behaviours

Policy, processes and practice

Suggested evidence and assurance

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

The board is clear about the charity's aims and how these benefit all or part of the public. It ensures that activity is targeted at achieving those aims both in the short and long term.

You know it's working when:

1. The board prioritises the people and causes served by the charity.
2. The board works collaboratively to develop a long-term vision for the organisation.
3. The board has set shorter-term aims for the organisation and agreed how they will be achieved.
4. There is a measurable impact over time of the difference the organisation makes and how it provides public benefit.
5. The board adapts the approach of the charity to reflect changes in the operating environment.

1. Foundation principle

2. Organisational purpose

Behaviours

Policy, processes
and practice

Suggested evidence
and assurance

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

- The board is focused on issues that are of most importance to the success of the charity's mission
- The board balances evidence from a range of stakeholder perspectives, not just the loudest or the most persistent
- The board considers both current and future stakeholders in its decision making
- The board is forward-thinking and outward-looking, and uses insights from diverse sources
- The board assesses the charity's performance considering both the charity's long-term aims and the current context
- The board is open to new ideas, approaches or partnerships where these support the charity's purpose
- In considering new activities, the board reviews their compatibility with the charitable purposes
- From time to time the board reflects on the charitable purposes to see if they need updating and to check that activities are in line with them

1. Foundation principle

2. Organisational purpose

Behaviours

Policy, processes and practice

Suggested evidence and assurance

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Policy, processes and practice

- The board regularly reviews how changes in the operating environment affect delivery of the charity's purpose
- With the involvement of stakeholders, the board has established a long-term vision and a theory of how the charity's activities lead to change
- The board has agreed a strategy or business plan that sets out clear aims to be achieved over a specific timeframe
- There is an agreed method for monitoring progress against the strategy or business plan
- The board regularly considers the views of service users and other key stakeholders
- The board uses both internal and external evidence to improve its work and understand the charity's wider impact
- The board is able to demonstrate how the charity provides public benefit
- The board fosters collaboration with other organisations through partnerships or mergers where these enhance the charity's impact
- Where relevant, the board sets clear objectives for campaigning and lobbying, ensuring all activity furthers the charity's purposes and is in the charity's best interests



1. Foundation principle

2. Organisational purpose

Behaviours

Policy, processes and practice

Suggested evidence and assurance

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Suggested evidence and assurance

- Documents that outline the charity's vision, aims, strategy and business plan
- Evidence of the link between the charity's activities and its long-term impact (e.g. a theory of change)
- Board meeting agendas broadly reflect the focus on the charity's mission
- Key performance indicators
- Impact measures, which could include feedback and evaluation reports
- A trustee annual report detailing the charity's work, funding and spending over the past year
- Stakeholder satisfaction measures (e.g. giving feedback on services, or a perceptions survey)
- Analyses of how changes in the operating environment affect – or could affect – the charity (e.g. SWOT or PESTLE analyses)
- A diagram of the wider organisational structure (including partners or subsidiaries)



3. Leadership





1. Foundation principle

2. Organisational purpose

3. Leadership

Behaviours

Policy, processes and practice

Suggested evidence and assurance

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

The charity is headed by an effective board that provides strategic leadership in line with the charity's purpose and values.

You know it's working when:

1. Trustee behaviours align with the charity's purpose and values.
2. There is clarity and respect for the different leadership roles of chair, board and (where they exist) CEO and senior staff.
3. Trustees have clarity about the difference in accountabilities between their role as trustees and any other voluntary roles they undertake for the charity.
4. The board, led by the chair, creates an environment in which people can contribute effectively.
5. Where there are staff, the board provides effective support and challenge to senior staff.



1. Foundation principle

2. Organisational purpose

3. Leadership

Behaviours

Policy, processes and practice

Suggested evidence and assurance

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

- Trustees actively champion the charity's values, modelling expected behaviours and leading by example
- Trustees respect defined roles and delegations
- Trustees are respectful and courteous, and are aware of how their behaviours are perceived by others, especially if they have very different backgrounds and experiences
- Trustees contribute by questioning and challenging ideas openly and constructively
- Trustees are willing to take on an ambassadorial role as required
- The chair identifies where individual trustees might be best placed to take more of a leadership role and helps the board work together as a team

For charities with staff:

- The board seeks and values the perspectives of staff
- Trustees balance support for and challenge to the executive team
- The chair invests time in developing the relationship with the most senior member of staff
- The board draws on the expertise of any employed governance professional to help organise its work and improve its effectiveness

1. Foundation principle

2. Organisational purpose

3. Leadership

Behaviours

Policy, processes and practice

Suggested evidence and assurance

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Policy, processes and practice

- The board defines and agrees values that align with the charity's purpose
- Trustees ensure the charity's values help provide guidance for major decisions
- The chair leads on ensuring the board operates cohesively, with sound decision making and good relationships
- Where trustees take on any additional leadership role (e.g. treasurer or committee chair), there is clear reporting and communication from them to the board
- Trustees involved in operational activities clearly distinguish this from their trustee role
- The board follows a fair, open process for appointing the chair, identifying the leadership qualities needed
- Trustees reflect on dynamics within the board and with senior staff, and develop inclusive ways of working

For charities with staff:

- There are clear processes for the appointment, appraisal, support, and remuneration of senior staff
- The board is clear about the role, responsibilities and expectations of the executive leadership team
- The board provides a mechanism for staff and volunteers to give honest, direct feedback and advice

1. Foundation principle

2. Organisational purpose

3. Leadership

Behaviours

Policy, processes and practice

Suggested evidence and assurance

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Suggested evidence and assurance

- A set of clearly defined values
- A trustee code of conduct
- Role descriptions for officer roles, including the chair
- Regular appraisal of the chair and trustees

For charities with staff:

- A scheme of delegation with defined responsibilities across the board and any executive and/or senior staff
- Documented controls on financial transactions (which may be included in the scheme of delegation)
- Records of regular management meetings, objective setting and appraisals between the chair and CEO
- A process for handling disputes between trustees, board–staff disputes and complaints about trustees
- Appropriate HR policies and procedures (e.g. staff pay, senior staff appraisal)



4. Ethics and Culture

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

Behaviours

Policy, processes and practice

Suggested evidence and assurance

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

The board has agreed the standards and values which shape the charity's behaviours and culture. This includes being open about how the charity operates and responding thoughtfully to feedback.

You know it's working when:

1. The board has agreed on a set of values and expected behaviours for the charity, which board members consistently demonstrate in how they work.
2. The board has adopted clear standards for the charity to follow.
3. Trustees are sensitive to the ethical, social and environmental consequences of their decisions.
4. Complaints and concerns are taken seriously, handled fairly, and used as opportunities for learning and improvement.
5. The board is open about how the organisation and its governance works.

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

Behaviours

Policy, processes and practice

Suggested evidence and assurance

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

- Trustees lead by example, upholding high ethical standards in their conduct and decision making
- The chair addresses trustee behaviours, in and outside meetings, when these fall short of the agreed expectations
- Trustees actively bring considerations of the charity's values and ethics into their decision making, and recognise that these may be different from their personal values
- Trustees consider how the charity's purpose and values link directly with any other moral, social or environmental responsibilities
- Trustees foster a culture where everyone feels safe and respected
- Trustees actively listen and show respect in meetings
- Trustees speak up when they have concerns about the charity's governance or operations
- Trustees take time to reflect and learn from mistakes and unintended consequences

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

Behaviours

Policy, processes and practice

Suggested evidence and assurance

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Policy, processes and practice

- The board ensures that organisational culture and practice aligns with stated values
- The board ensures that a comprehensive set of policies is in place that cover how the organisation works
- Appropriate policies and training related to ethics are in place, including policies on safeguarding, complaints, fraud and whistleblowing
- There is published guidance on how stakeholders can raise concerns
- The board has a due diligence and review process for partnerships, funders and supplier relationships
- The board considers whether there are other voluntary codes or standards it wishes the charity to follow
- Trustees are alert to inappropriate power imbalances within the board and charity, taking action to address and prevent them
- The charity is appropriately transparent when there are failures, sharing what it has learnt and how it has implemented change
- The board considers how the charity is perceived by the people and organisations involved in its work, as well as the wider public
- The board has discussed how its work is shared more widely within the organisation and externally

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

Behaviours

Policy, processes and practice

Suggested evidence and assurance

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Suggested evidence and assurance

- A set of agreed values
- Code(s) of conduct for the board, members, staff and volunteers
- An up-to-date document summarising policies for board review, with review dates
- Public, user, staff and volunteer feedback
- Reporting about complaints, fraud, whistleblowing and safeguarding
- Trustee training on topics such as safeguarding and ethics
- Evidence of adopting established standards (where these are relevant), such as the Code of Fundraising Practice and the Charity Digital Code of Practice
- A policy for trustee expenses
- Profiles of trustees and senior staff or trustees are available on the charity website
- The charity's approach to tenders, written agreements and contracts with third-party suppliers reflects its values and ethics
- A procurement policy
- A gift acceptance (or gifts and hospitality) policy
- An ethical investment policy (where relevant)



5. Decision making



1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

Behaviours

Policy, processes and practice

Suggested evidence and assurance

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

The board makes effective decisions that best serve the charity's purposes. Trustees take personal responsibility for carefully considering each decision and working to reach agreement.

You know it's working when:

1. There is clarity about which decisions are made at which level of the organisation, including strategic ones that can only be made by the board.
2. The board makes orderly and effective use of its time to focus on the right things at the right time.
3. The board has the information and analysis it needs to make timely and well-informed decisions.
4. The board considers past and current performance to learn lessons for future organisational performance.
5. The board can track, review and learn from its decisions.
6. Trustees explore different viewpoints before uniting behind board decisions.

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

Behaviours

Policy, processes
and practice

Suggested evidence
and assurance

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

- Trustees respect delegated roles and responsibilities
- Trustees are open to ideas, question information and check accuracy when needed
- Trustees recognise the limits of their knowledge/experience and take appropriate advice, without relinquishing responsibility for understanding the issues and making decisions
- Trustees engage in constructive challenge and debate
- Trustees are helpful in progressing debates to reach solutions
- Trustees share collective responsibility and accountability, even when they disagree with a decision
- All committee chairs work with the board chair to ensure an integrated approach to the work of the board
- Committee chairs ensure effective communications from committees to support board decision making

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

Behaviours

Policy, processes and practice

Suggested evidence and assurance

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Policy, processes and practice

- The board makes clear which matters are reserved for it to decide – and keeps this updated
- Meeting agendas and papers are designed to give trustees the right information and time to discuss key issues
- The chair is active in the design of meeting agendas to ensure effective use of board time
- The board can access agendas, board papers and other important information easily and securely
- The board considers whether any sub-committees are needed for its work, and the need for additional expertise from co-opted committee members
- There is a planned and rolling schedule of board (and, where they exist, committee) meetings, with the board meeting frequently enough to fulfil its responsibilities
- Decisions are made with regard to the charity's existing policies, financial resources and the board's appetite for risk
- The board decides what decisions to delegate and to whom
- The board can monitor and oversee the implementation of its decisions
- The board sets clear written rules on delegation, controls and reporting, and reviews them regularly
- There are clear expectations on when and how matters should be escalated if a threshold for board involvement is met
- The board ensures that committees have a clear scope, purpose, powers, and mix of skills and experience
- There is an effective process for how committee work feeds in to the board
- The board can access independent professional advice if needed to discharge its duties
- The board understands when to take advice; examples might include decisions with a significant financial impact, or new activities (such as working overseas, campaigning or trading)

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

Behaviours

Policy, processes and practice

Suggested evidence and assurance

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Suggested evidence and assurance

- Scheme of delegations, including matters reserved for the board, subject to annual review
- Documented authorisation limits (which may be included in the scheme of delegation)
- Terms of reference for committees
- Board minutes that capture the rationale for decisions and actions
- Induction for senior staff covering governance and working with boards
- Board meeting agendas that reflect the charity's strategy and are clear about when the board is making decisions
- Board papers that identify key data and factors for informed decision making, including associated risks
- Board papers that provide analysis, including metrics or indicators showing performance over time
- Procedures for decisions that need to be taken outside the board meeting cycle
- Benchmarking data (e.g. for pay awards)
- Digital access to governance documents, including historical board minutes

Applies to large charities only:

- Evidence of the board receiving specialist in-house or external governance advice when necessary



6. managing resources and risks

1. Foundation principle
2. Organisational purpose
3. Leadership
4. Ethics and culture
5. Decision making

6. Managing resources and risks

Behaviours

Policy, processes and practice

Suggested evidence and assurance

7. Equity, diversity and inclusion

8. Board effectiveness

The board takes responsibility for stewarding, developing and allocating resources. The board identifies the risks to achieving the charity's aims and agrees how to navigate them. The board seeks assurance that risks are properly managed.

You know it's working when:

1. The board has a good understanding of the charity's capabilities, capacity and resources, and optimises the use of them to fulfil the charity's current and long-term aims.
2. The board assesses whether the charity's approach and use of resources is sustainable and whether fundamental change is needed.
3. The board identifies key risks to achieving its aims and the actions needed to manage them.
4. The board balances taking risks with safeguarding the charity's service users, staff and resources.
5. The board ensures control and risk management frameworks are effective, and reviews them regularly.



1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

Behaviours

Policy, processes and practice

Suggested evidence and assurance

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

- All trustees embrace their responsibility to understand the charity's finances and resources
- Trustees are open and willing to speak up and ask questions about data or analyses they do not understand
- Trustees use information and data to help them make decisions
- Trustees look to make best use of the charity's assets in a responsible way
- Trustees are proactive in identifying and addressing risks and opportunities
- When appropriate, the board supports the charity's right to speak out about its mission, even if unpopular



1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

Behaviours

Policy, processes and practice

Suggested evidence and assurance

7. Equity, diversity and inclusion

8. Board effectiveness

Policy, processes and practice

- The board agrees an annual budget for the financial year consistent with the charity's strategy, aims and values
- The board receives regular, accurate and accessible financial information about the charity's current and projected performance
- The board keeps under review the sustainability of its sources of income
- The board is alert to and discusses people risks (e.g. burn out, or over-reliance on one person)
- The board ensures the charity follows the appropriate financial reporting requirements relevant to its size and type
- The board receives reporting about the scope, performance and investment needs of the charity's properties and estates
- Trustees carefully review and jointly approve the annual report and accounts
- Major and emerging risks are reviewed regularly, and there is a robust control framework
- Trustees have agreed tolerances of risk, including the use of reserves (where these exist) in line with the board's reserves policy
- There are procedures for escalating to the board reputationally sensitive communications (including via social media)
- The board ensures that the charity complies with data protection laws and regulations
- If applicable, the board sets an investment approach that focuses not only on the financial return but also on the charity's purpose and values

Applies to large charities only:

- The board receives reports about the performance and risks of any subsidiaries
- The board oversees external auditor or independent examiner appointment and review, taking audit committee advice where applicable

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

Behaviours

Policy, processes and practice

Suggested evidence and assurance

7. Equity, diversity and inclusion

8. Board effectiveness

Suggested evidence and assurance

- Regular (at least quarterly) and annual financial reporting and forecasting
- External scrutiny of annual financial statements via independent examination or audit for charities
- Financial policies and procedures
- Review of internal controls
- A reserves policy
- The annual report and accounts
- An appropriate range of policies for staff and/or volunteers
- A policy for the use of technology and AI tools
- A fundraising policy (if applicable)
- Anti-bribery and anti-fraud policies
- A whistleblowing policy
- A risk management framework
- A board-approved risk register
- Audit management letters
- A social media policy

Applies to large charities only:

- An investment policy and framework that has also considered the Charity Investment Governance Principles
- An estate strategy
- A property maintenance plan



7. Equity, diversity and inclusion



1. Foundation principle
2. Organisational purpose
3. Leadership
4. Ethics and culture
5. Decision making
6. Managing resources and risks

7. Equity, diversity and inclusion

Behaviours

Policy, processes and practice

Suggested evidence and assurance

8. Board effectiveness

The board has a clear, agreed and effective approach to supporting equity, diversity and inclusion (EDI) throughout the organisation, including in its own practice.

You know it's working when:

1. The board creates a welcoming environment in which people of all backgrounds and perspectives are equally heard and respected.
2. The board is committed to understanding how inequality of resources, opportunity and power affects the charity, its work, users and the board itself.
3. The board sets clear EDI aims and ensures progress through dedicated plans, resources and monitoring.
4. The board draws on a range of diverse backgrounds, experiences and expertise to enhance decision making.

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

Behaviours

Policy, processes and practice

Suggested evidence and assurance

8. Board effectiveness

Behaviours

- Trustees seek to understand the discrimination and inequality that exists in society and how it manifests in their own charity
- Trustees demonstrate that they seek out and value diverse opinion
- In their discussions and debates, trustees consider the range of voices that may be absent from the boardroom and how these are best heard
- Trustees consider how the charity's ways of working or language might unintentionally reinforce exclusion
- Trustees understand that offering and receiving feedback on experience, feelings and behaviour around EDI can feel challenging and work respectfully in a spirit of learning
- Trustees help create and maintain inclusive cultures, practices and behaviours in the work of the board and the charity
- The chair and individual trustees act swiftly to identify and stop inappropriate behaviour

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

Behaviours

Policy, processes and practice

Suggested evidence and assurance

8. Board effectiveness

Policy, processes and practice

- The board is clear why EDI is important for the charity, its context and the delivery of its aims
- The board works to understand a wide range of perspectives, especially the charity's users (where appropriate) and marginalised communities
- The board works with stakeholders to set a clear organisational approach to EDI in line with the charity's aims, strategy, culture and values
- The board ensures that there are appropriate arrangements and resources in place to monitor and achieve the organisation's EDI plans and targets, including those relating to the board
- The board periodically takes part in learning and/or reflection to better understand obstacles to progress and the changes needed
- The board shares information publicly about its success and challenges in progressing EDI aims



1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

Behaviours

Policy, processes and practice

Suggested evidence and assurance

8. Board effectiveness

Suggested evidence and assurance

- An agreed approach to EDI in the organisation, its work and in the board
- Feedback and/or metrics, such as user, staff and volunteer surveys
- Published information on the charity's progress against plans and targets
- Records of EDI learning and development activity
- The adoption of practices that seek to ensure inclusive culture and practice

Applies to large charities only:

- A review of the board's approach to EDI in any external evaluation process every three years



8. Board effectiveness



1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

Policy, processes and practice

Suggested evidence and assurance

The board works well together, using an appropriate balance of skills, experience, backgrounds and knowledge. It reviews its performance on a regular cycle and takes steps to improve.

You know it's working when:

1. The board has the right mix of skills, knowledge and experience to serve the charity's purposes.
2. There are open processes for board recruitment and/or election.
3. The board is committed to its development, including trustee induction, individual learning and whole board learning.
4. There are constructive and regular processes for reviewing the performance of individual trustees, the chair, and the board as a whole.
5. There are clearly defined processes for managing disputes and differences between trustees, and between trustees and staff members.



1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

Policy, processes and practice

Suggested evidence and assurance

Behaviours

- Trustees engage with the organisation outside meetings in an effort to learn about its activities and to build relationships
- Trustees respect agreed board procedures, including term limits
- Trustees make a positive contribution to team dynamics
- Trustees are willing to give, receive and act on feedback
- The chair seeks to understand the motivations, strengths and areas for development of trustees and supports them to address their development needs
- The chair offers feedback and encouragement to trustees
- Trustees offer feedback and encouragement to the chair
- The board takes steps to reflect, learn and improve

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

Policy, processes and practice

Suggested evidence and assurance

Policy, processes and practice

- The board has, and regularly considers, the mix of skills, knowledge and experience (including lived experience) needed to provide direction and oversight
- There is a formal and transparent approach to recruit new trustees, which includes advertising vacancies
- The search for new trustees is carried out, and appointments or nominations for election are made, on merit against objective criteria
- The board is of an appropriate size, typically between five and 12 trustees
- Trustees are offered learning and development opportunities
- The appointment and retirement cycle of trustees is mapped and enables timely management of succession
- The board considers appointing a trustee or vice chair who can:
 - provide a sounding board for the chair
 - help with concerns about the relationships within the board, or between the board and senior staff
 - organise appropriate appraisal of the chair
- Trustees have ample opportunities to provide feedback on the way the board works and how it can be improved
- There are agreed processes for reviewing the performance of the board (ideally annually) and the chair and individual trustees
- Trustees are appointed for an agreed length of time, subject to any applicable constitutional or statutory provisions
- Where a trustee has served for more than nine years, their reappointment is subject to a rigorous review, and explained in the trustees' annual report

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

Policy, processes and practice

Suggested evidence and assurance

- The charity explains its board evaluation process in the trustees' annual report
- Where trustees are elected by members, members are supported to play an informed role in the processes; additionally, member-elected trustees receive induction support to understand the difference between representing views and acting in the charity's best interest

Applies to large charities only:

- There is an external evaluation every three years to consider the board's effectiveness

1. Foundation principle

2. Organisational purpose

3. Leadership

4. Ethics and culture

5. Decision making

6. Managing resources and risks

7. Equity, diversity and inclusion

8. Board effectiveness

Behaviours

Policy, processes and practice

Suggested evidence and assurance

Suggested evidence and assurance

- Periodic assessment of competencies needed by the board to understand any skills gaps
- Evidence of efforts to fill skills gaps through board training, recruitment or specialist advice
- Fixed terms for trustees to enable board renewal – no more than nine years unless evidence of exceptional reasons
- A succession plan for the board and committees
- Policy and evidence of open recruitment
- Evidence of trustee commitment to learning and development
- A budget for board development activities
- Awayday and team building activities, where team dynamics can be explored
- A record of regular reviews of the board, chair and individual trustees, with staff input (where relevant)
- Evidence of feedback being welcome and acted upon
- An agreed dispute resolution process for trustees

Charity Governance Code