



An Rialálaí
Carthanas
Charities
Regulator

Board appraisal for Non- Complex Charities

Legal Disclaimer

This document is issued by the Charities Regulator under section 14(1)(i) of the Charities Act 2009, to encourage and facilitate the better administration and management of charitable organisations. It is published as part of a suite of guidance, intended to provide support to charity trustees to meet their legal duties, by putting in place systems, processes and policies which ensure charities are managed in an effective, efficient, accountable and transparent way.

This document is not, nor is it intended to be, a definitive statement of the law and it does not constitute legal advice. Charity trustees are recommended to consult their governing document or to obtain their own independent legal advice where necessary. The Charities Regulator accepts no responsibility or liability for any errors, inaccuracies or omissions in this document.

Introduction

Good governance is essential to a charity's success. It involves putting in place systems and processes to ensure that a charity achieves its charitable objectives with integrity and is managed in an effective, efficient, accountable and transparent way.

Evaluating a board's performance is a crucial part of good governance. This is recognised in the [Charities Governance Code](#), which recommends that non-complex charities should, from time to time, review how their board operates and make the necessary improvements.

Board appraisal

On a practical level, an effective board appraisal consists of a regular assessment, ideally once a year, of how well the board of charity trustees is performing in relation to its legal duties and responsibilities, and in contributing to the success of the charity. The board should also assess the effectiveness of its board meetings as part of every board evaluation.

The process is usually initiated by the Chairperson of the board, supplemented by discussion at a board meeting. It is possible for the board to undertake the process, or it may be decided to utilise the services of outside experts, if the resources of the charity allow, to carry out the process.

A simple approach to board assessment is to circulate a questionnaire for charity trustees to complete. It is important to provide board members with a means of completing the questionnaire on an anonymous basis, so that the trustees can be open and transparent in their responses. An area for free text/ comments should be part of the appraisal (see Appendix 1 for some of the key questions that typically appear on a board appraisal assessment and Appendix 2 for a sample board meeting evaluation sheet).

It's recommended that no longer than 10 working days are provided to board members to respond to the questionnaire and that a reminder is sent at least once within that time-frame. The results can then be collated and presented to the board to discuss. It is vital

that where a charity undertakes the process of board appraisal, that the outcome of the appraisal is acted upon and used to plan for the charity's future development.

The outcomes of a board appraisal processes could range from relatively minor amendments to board processes and changes in board composition to significant steps towards rectifying any factors identified in the appraisal process, which are seen to be preventing the Board from carrying out some or all aspects of its role effectively. It also provides an opportunity for trustees to raise issues which may be viewed as sensitive e.g. board succession where a trustee has been in situ for more than 9 years. It may also identify individual areas of training needed for charity trustees individually, and for the board collectively. It can also be a useful tool in determining the skills the charity should be focusing on in any future searches for new charity trustees.

Conclusion

Board appraisal is an opportunity for the Board of trustees of a charity to reflect on how they are performing by identifying the areas where they are doing well and the areas require improvement. The process can bring to light small issues that need to be addressed e.g. earlier circulation of board papers prior to meetings to allow them to be reviewed by trustees, or more fundamental issues such as the future direction of the charity. The key feature is that the Board of trustees should approach the board appraisal process as an opportunity for improvement, so that the charity is in the best position to advance its charitable purpose and deliver public benefit.

Appendix 1 - Some of the key questions that typically appear on a board appraisal are included in the table below.

Advancing Charitable Purpose		Comments
<p>Does the board understand and comply with the Charity's governing document?</p>	<p><input type="checkbox"/> Always</p> <p><input type="checkbox"/> Most of the time</p> <p><input type="checkbox"/> Sometimes</p> <p><input type="checkbox"/> Never</p> <p><input type="checkbox"/> Don't know</p>	
<p>Are all charity trustees aware of your charity's purposes and public benefit and how your charity works to achieve these?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Don't know</p>	
<p>Do all charity trustees understand and meet their obligations to act in accordance with the best interests of the charity and its beneficiaries at all times?</p>	<p><input type="checkbox"/> Always</p> <p><input type="checkbox"/> Most of the time</p> <p><input type="checkbox"/> Sometimes</p> <p><input type="checkbox"/> Never</p> <p><input type="checkbox"/> Don't know</p>	
<p>Has the board approved an annual plan and/or budget and formally undertaken an annual evaluation of actual performance by reference to the plan and/or budget?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Don't know</p>	

Behaving with integrity		Comments
Are you satisfied that updated Codes of Conduct are approved by the Board and circulated to all Board members, management and employees?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	
Are you satisfied that the procedures relating to the disclosure of Board members interests are complied with?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	
Are you satisfied that the Board has adequate procedures in place to monitor and manage potential conflicts of interest and confidential information of management and Board members?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	
Has the board agreed a set of values for your charity and do these underpin its decision-making and the activities of the charity?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	

Leading people		Comments
Does the board make sure that there are proper arrangements in place for the recruitment, support and supervision of staff and/ or volunteers to enable them to work effectively?	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
Are the roles and responsibilities of the board clearly defined and communicated in role descriptions for all positions within the board?	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
Are you assured that the charity has all the necessary tools in place to effectively manage staff and/ or volunteers (policies, procedures, job and role descriptions, HR records, etc), where applicable?	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	

Exercising control		Comments
<p>Do the charity trustees provide sound financial oversight and ensure that resources are properly managed?</p>	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
<p>Does the board review the controls and procedures adopted by the charity to provide itself with reasonable assurance that such controls and procedures are adequate to secure compliance with statutory and governance obligations?</p>	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
<p>Does the board regularly identify and review the risks the charity faces and do you take action to manage these?</p>	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
<p>Does the charity operate in accordance with legal and regulatory requirements?</p>	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
<p>Does the charity seek expert and professional advice when needed?</p>	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
<p>Do the charity trustees understand their legal duties and the roles and responsibilities, both individually and collectively?</p>	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	

Working effectively		Comments
<p>Do all charity trustees take collective responsibility for decisions?</p>	<p> <input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know </p>	
<p>Are decisions clearly and formally recorded in a timely way which allows for actions to be followed up?</p>	<p> <input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know </p>	
<p>Do all charity trustees contribute at Board meetings and in-between?</p>	<p> <input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know </p>	
<p>Does the board of charity trustees meet often enough to be effective?</p>	<p> <input type="checkbox"/> Yes <input type="checkbox"/> No </p>	
<p>Are meetings structured and productive, and are charity trustees well prepared having read the agenda, minutes of previous meetings, and reports that will form the basis for discussion?</p>	<p> <input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know </p>	
<p>Are you satisfied with the quality of the board papers and minutes (e.g. not overly lengthy, clearly explain the key issues and priorities, consistent, timely)?</p>	<p> <input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know </p>	

<p>Is adequate time allowed and sufficient energy given to discussion and decision making at meetings?</p>	<p><input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know</p>	
<p>Are there trustees on your board with the skills and experience your charity needs?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know</p>	
<p>Does the charity provide charity trustees with opportunities for training and development?</p>	<p><input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know</p>	
<p>Do you take into account skills gaps when recruiting and developing trustees?</p>	<p><input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know</p>	
<p>Do all new trustees receive an induction which introduces them to their responsibilities and to the charity?</p>	<p><input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know</p>	
<p>Do you have maximum terms of office for trustees to ensure the board is refreshed?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know</p>	
<p>Do you check how well your board is performing from time to time?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know</p>	

Being accountable and transparent		Comments
Does your charity communicate openly about itself and its work?	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
Do you know who the charity's stakeholders are for example, users or beneficiaries, volunteers, donors, etc?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Do you communicate effectively with your stakeholders and are you responsive and accountable to them?	<input type="checkbox"/> Always <input type="checkbox"/> Most of the time <input type="checkbox"/> Sometimes <input type="checkbox"/> Never <input type="checkbox"/> Don't know	
Do you have a complaints procedure and do you learn from your mistakes?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	
How does the board communicate with, and listen and respond to, members, staff, volunteers, beneficiaries and other stakeholders?	Provide Details	
Does the charity meet all legal and contractual obligations to provide information to all of your funders and donors, both public and private?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	

Appendix 2 - Board Meeting Evaluation Sheet
Response Key:

Strongly Agree		Neutral		Strongly disagree	
5	4	3	2	1	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. The meeting materials were provided timely for review.

5	4	3	2	1
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. The materials mailed in advance provided me with sufficient preparation for the meeting.

5	4	3	2	1
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. I had adequate opportunities to discuss the issues presented today and ask questions.

5	4	3	2	1
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Today's agenda items were appropriate for board discussion.

5	4	3	2	1
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. I have a sufficient understanding of the issues covered.

5	4	3	2	1
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. I feel as if today's meeting was a good use of my time.

5	4	3	2	1
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What was most helpful for you at this board meetings?

What was least helpful for you?

Please recommend any agenda items for upcoming meetings:

Other comments/suggestions:



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