



Governance Manual

Company registration number 4884328

Charity registration number 1120927

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Related internal documents

Trustees should be familiar with all Integrity Action strategies and policies. These can be found on the Integrity Action website (www.integrityaction.org).

The key ones referred to in this manual are:

- Anti- corruption and bribery policy
- Articles of Association
- Equal Opportunities policy
- GESI strategy
- Organisation Strategy
- Safeguarding policy
- Travel and expenses policy

Relevant external guidance

Charity Commission Guidance

<https://www.gov.uk/topic/running-charity/trustee-role-Board>

Code of Good Governance for the Voluntary and Community Sector

<https://www.charitygovernancecode.org>

1. Introduction

Background

Integrity Action enables citizens to improve the delivery of essential services, infrastructure projects and humanitarian aid in some of the world's most challenging environments. Up to 17% of gross domestic product (GDP) in developing countries is lost due to corruption, fraud and mismanagement, affecting basic human rights and vital development outcomes such as access to education, water, healthcare, roads, livelihoods and social services. Integrity Action's contribution to sustainable development is to find innovative ways of reducing these losses.

We address this challenge with our own unique mix of knowledge, tools and approaches. We help everyday citizens to monitor projects and services in their own community. We provide tech tools to help them post their findings openly and in real time and we enable these citizen monitors to work with those responsible and constructively solve the problems they find. We do not shy away from challenging conventional approaches to sustainable development and governance reform, for example through the innovation of the Fix-Rate™ metric.

Integrity Action seeks to make sure that other people's money does what it is meant to do. If we can make the funds already allocated and committed to poverty alleviation – whether domestic or foreign – actually deliver as intended, it would be the equivalent of channelling billions of additional dollars into development.

Legal status

Integrity Action's legal status is as a UK company limited by guarantee (Company registration number 4884328) and as a charity registered with the Charity Commission for England and Wales (Charity registration number 1120927). The legal responsibility of the Board of Trustees is as laid out by the Charity Commission and relevant company law.

Division of responsibilities between the Board and Management

The role of Integrity Action's Board of Trustees is to govern the organisation and provide overall policy direction to achieve its aims in the most efficient and effective manner, consistent with the organisation's values and approach. Management's responsibilities include inputting into policy and strategy and delivering organisations work plans and budget (Figure 1).

Figure 1. Division of responsibilities between Board and Management

Board of Trustees	Management
Determining high-level strategy and policy	Developing policy and strategy and delivering the organisation's plans, budget and work
Appointing and overseeing the Chief Executive	Appointing managers and staff
Managing governance processes	Supporting governance decisions
Monitoring finances and risk exposure	Implementing Board decisions
Approving plans and budgets	Day to day management of the organisation
Monitoring performance	Measuring performance
Providing insight, wisdom and judgement	Implement the funding strategy
Taking clear strategic decisions	
Approve and support delivery of funding strategy	

Trustees are ultimately responsible under the Articles of Association for the management and administration of the charity. However, the Charity Commission guidance recognises that because of the scale of work undertaken by a charity such as Integrity Action, decision-making on management is delegated to the Chief Executive and through him/her to the employees.

Integrity Action has a written delegation of authority to the Chief Executive (see section 11). Decisions on strategic matters are agreed with and reported to Trustees and clear lines of accountability maintained. Trustees remain responsible for ensuring the organisation has a clear vision and objectives and that effective strategies are in place to achieve these (See latest strategy on Integrity Action website).

If Trustees act prudently, lawfully and in accordance with their governing documents then any liabilities they incur as Trustees can be met out of the charity's resources. This responsibility applies collectively (jointly and severally) therefore particular care needs to be applied when entering into substantial contracts or financial commitments. Integrity Action indemnifies its Trustees and officers up to a limit of £1 million against personal liability to third parties arising from acts properly undertaken in the administration of the charity.

This document should be read in conjunction with Integrity Action's internal policies and other documents as listed on page 3.

[Size, membership and composition of the Board](#)

The Articles of Association states that the minimum number of Trustees is three.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period for a maximum of an additional one year if this is necessary to maintain scarce skills and experience on the Board.

Integrity Action's Board of Trustees is of a size that can interact effectively and it is critical to ensure that the combined trusteeship brings all the necessary areas of expertise to govern the Charity's activities as well as demonstrating commitment to the aims and values of Integrity Action.

In selecting Trustees, the principles set up by Lord Nolan while chairing the Committee on Standards in Public Life are considered: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

In addition to the relevant skills and experiences, the following qualities are taken into account when considering appointments and composition of the Board:

a. Commitment

Trustees need to be wholeheartedly committed to Integrity Action's vision and work.

Trustees are expected to be advocates of Integrity Action's work. Effective Trustees will challenge the Chief Executive and the organisation to ensure that objectives are being met appropriately and effectively, as is required by their governance role. Trustees are also expected to promote Integrity Action positively and with passion externally.

To carry out their duties effectively, Trustees are expected to commit time to preparing for and attending meetings, following up on specific tasks with other Trustees, liaising with the Chief Executive or other staff at the Chief Executive's request and occasionally visiting country programmes. In total their role is likely to involve between 10 to 15 days of work per annum.

Trustees appraise their performance and that of the Board annually.

b. Expertise

Integrity Action values expertise in four areas.

- 1) **Governance:** Including strategic planning, financial management, human resource management, organisation development, UK charity law, international law and management, IT and systems management, risk management.
- 2) **Income generation:** Including marketing and communications, experience of promoting and fundraising from individual supporters and donors, understanding or experience of large contract providers like governments, trusts and foundations.
- 3) **Reputation and networks:** Including strong business connections, public relations skills, marketing, ability to build on existing links both in the UK and internationally, connections to the UK development sector.
- 4) **Technical experience and knowledge:** Experience and understanding of the technical, political and social aspects of Integrity Action's work, understanding of the role of government, NGOs and other civil society organisations in the developing world, capacity building and organisation development, monitoring, evaluation and measuring impact, understanding of political process, policy influence work and advocacy, expertise relating to good governance, information and communication technologies, finance and development, social accountability, anti-corruption and ethics.

c. A diverse mix of skills and personal attributes

Whilst commitment and expertise are some of the most important qualities necessary for Trustees to be effective, it is also important for Integrity Action to have a balanced Board in terms of gender and to be drawn from a diversity of experience, ethnic backgrounds and personal attributes.

In line with our Gender Equality and Social Inclusion (GESI) policy and our Equal Opportunities policy, Integrity Action is committed to seeking Trustees from a wide range of backgrounds, including those with professional or personal experience of at least some of the countries in which Integrity Action operates.

d. Reputation

Trustees must be of high integrity in order that Integrity Action may benefit in terms of standing and influence from their reputation.

Integrity Action looks for Trustees who are well respected in the business, voluntary or international development sector, in academia, government circles, or with the public at large.

However, above all it is vital that Trustees are committed to the values and work of Integrity Action and are able to commit to the governance role as laid out in the Trustees code of conduct (See Section 3).

[Selection and induction of Trustees](#)

Good governance is core to Integrity Action. Trustees are selected in a manner consistent with the organisation's recruitment and Equal Opportunities strategy, ensuring that the selection process is timely and cost effective.

In addition to making direct approaches to suitable candidates, Integrity Action will advertise for Trustees through notice Boards, networks or in the media. The position of Chair of the Board will be advertised publicly.

The Nominations and Remuneration sub-committee of the Board seeks suitable Trustees to recommend to the existing Board. The process of selection is an opportunity for all parties to get to know each other and to ensure that joining Integrity Action's Board would be of mutual benefit and interest. The decision will be based on criteria set out in this section and in section 2.

As part of their induction, Trustees spend time in the UK office and if feasible are encouraged to visit country programmes and partners.

Integrity Action provides Trustees with this document upon joining the organisation, along with other key documents.

[Principles for effective working](#)

Integrity Action's Trustees regularly review how they can work together more effectively. Set out below are areas that are important for efficacy:

- Clarity of role
- Understanding of governance and management
- Full induction
- Regular performance review to determine Board strengths and weaknesses
- Shared sense of direction
- Close working relationship between Chair/Co-Chairs, Chief Executive
- Strong leadership from Chair/Co-Chairs

- Commitment to the code of conduct
- Commitment to the values and work of Integrity Action
- Effective selection of Trustees based on required skills and attributes
- Cost effectiveness of Trustee meetings and events

2. Role of the Board of Trustees

The purpose

The role of Integrity Action's Board of Trustees in the UK is to govern the organisation in line with its vision, aims and charitable objectives and to provide overall policy direction.

Trustees are responsible for ensuring compliance with the legal and statutory requirements of a UK charity as set out by the Charity Commission, and of a UK company as set out in relevant company law.

Key accountabilities

- To approve the strategic direction for the organisation and to guide Integrity Action to achieve its aims in the most efficient and effective manner consistent with organisational values and approaches.
- To take ultimate responsibility as per the Articles of Association for controlling the management and administration of the charity while delegating management to the Chief Executive.
- To follow and promote the Integrity Action Trustee Code of Conduct (See Section 3).
- To regularly monitor the context and operating environment in which Integrity Action works and to address emerging issues that may impact on strategy, implementation of plans or reputation with key stakeholders.
- To ensure that the organisation functions within the legal and financial requirements of a registered charity – industrial, financial, charitable, health and safety, data protection, UK Bribery Act, etc.
- To ensure that the policies, plans and budgets of the organisation are in keeping with its aims.
- To approve strategic plans, budgets, reserves policy and position and authorisation limits.
- To ensure that the organisation has the resources, both human and financial, to achieve its aims.
- To approve annual budgets and multi-year budget projections and to monitor progress against these and to ensure that the organisation is managing cash flow and reserves prudently.
- To ensure an on-going risk assessment and management process is in place across the organisation that is informing policies, procedures and plans and that Trustees are updated on this and advised of any significant changes as they occur.
- To monitor and evaluate the progress of the organisation against its strategic aims, objectives and financial targets.
- To approve annual reports and accounts.
- To ensure that annual audits are carried out across the organisation and reported to the Audit Committee and that reports from this committee are considered by the Board as a whole.
- To ensure that a register of fraud is held and made available to all trustees and that serious fraud is reported to the Board as a whole and investigated.
- To employ and supervise the Chief Executive and delegate to them the management of the organisation.
- To sit on appraisal, recruitment and disciplinary panels as required.
- To provide advice and guidance in subject areas where the Trustee has particular expertise to the Board and Chief Executive where appropriate.
- To ensure that a process for declaring interests is in place.
- To appoint the Chair or Co-Chairs of the Trustees

- The Chair of Trustees, supported by the Nominations and Remuneration Committee and the Chief Executive, is responsible to ensure that the processes of governance are carried out effectively, for example:
 - Trustee selection, induction and review to ensure a mix of governance skills and a diversity of membership;
 - Evaluation of performance of the Board to undertake the duties as described above;
 - Ensuring other sub committees of the Board are constituted appropriately and are effective as necessary for good governance
 - Board meetings are held regularly and minuted.

Trustee role description and person specification

The following qualities and skills are sought in Integrity Action's Trustees. Overall, a willingness to work together as part of a Board committed to helping Integrity Action achieve its aims is critical.

- Committed to Integrity Action's vision, mission and values and a way of working that demonstrates this. Able to communicate this with enthusiasm to others.
- A good understanding and acceptance of the legal duties, liabilities and responsibilities of trustees and clear on the difference between governance functions and management functions. Previous Board experience is desirable.
- Able to work well as part of a diverse team of trustees.
- Strong strategic awareness and experience of high-level strategy development.
- A good communicator with excellent leadership and interpersonal skills, able to both empower and challenge supportively.
- Well networked and willing to engage with contacts and/or fulfil an ambassadorial role for the benefit of Integrity Action.
- An understanding of the context in which Integrity Action works (and a willingness to learn more) with an interest in international affairs.
- Able and willing to devote the necessary time to the role.

Term of office

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period for a maximum of an additional one year if this is necessary to maintain scarce skills and experience on the Board.

Trustees work on a pro bono basis, and are asked to give around 10-15 days a year to Integrity Action.

3. Trustees' code of conduct

This code of conduct is not a list of Trustees' legal duties but reflects best practice recommendations of the Charity Commission.

The code of conduct

Trustees are the custodians of the governance process and ultimately liable for ensuring that the charity is effectively administered. Through their collective actions as a Board they are also responsible for the successful development and delivery of a strategy to further the objects of Integrity Action.

The code establishes the principles expected of Integrity Action's Trustees in order to fulfil these responsibilities by maintaining the highest standards of integrity and stewardship; by ensuring that the organisation is effective, open and accountable; and by ensuring a good working relationship with the Chief Executive.

Integrity Action has aligned its code with the seven principles of the UK Charity Governance Code:

1. **Organisational purpose:** The Board is clear about Integrity Action's aims and ensures that these are being delivered effectively and sustainably.
2. **Leadership:** Integrity Action is led by an effective Board that provides strategic leadership in line with the charity's aims and values.
3. **Integrity:** The Board acts with integrity, adopting values and creating a culture which helps achieve Integrity Action'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.
4. **Decision-making, risk and control:** The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.
5. **Board effectiveness:** The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.
6. **Diversity:** The Board's approach to diversity supports its effectiveness, leadership and decision-making.
7. **Openness and accountability:** The Board leads the organisation in being transparent and accountable. Integrity Action is open in its work.

Declaration of interests

To ensure open and transparent exchange of information between Trustees, potential Trustees will be asked to sign a declaration regarding their suitability to join the Board.

Trustees will also be asked to disclose their interests in the Integrity Action register of interests that is held by the Head of Finance. The information provided will be maintained in this register in compliance with the Data Protection Act and General Data Protection Regulation.

Trustees are asked to keep the information they have registered up to date on an annual basis.

Responsibilities

Assisted by the Chief Executive, Trustees formulate and regularly review the organisation's vision, values, policies and long-term strategy.

Integrity Action's Trustees ensure that the organisation complies with regulatory and statutory requirements and will exercise overall control over the organisation's financial affairs - assisted by the Chief Executive and other professional advisers, as necessary. In addition to compliance with statutory requirements, Trustees have a commitment to the development and implementation of good practice.

Integrity Action Trustees need to be familiar with and keep under regular review the Articles of Association of the organisation. Any changes should be made in accordance with constitutional and legal requirements.

In order to develop a working knowledge of the organisation and to give themselves credibility, Trustees endeavour to maintain links and keep in touch with the organisation through regular contacts or field visits.

Meetings

The Board normally meets four times a year, including in an Annual Strategy Meeting. Meetings are almost always held in London.

In addition to the business meetings, Trustees will occasionally spend social time together before or after a meeting or at occasional away days.

The meetings are timetabled to achieve the following:

March	Annual Business Plan implementation review;
June	Strategy Away Day focusing on progress against the Organisational Strategy and establishment of performance targets for the coming year;
September	Approval of next financial year Business Plan;
December	Approval of audited annual report and accounts; annual Business Plan implementation review.

A set of papers and an agenda is sent out to all Trustees at least five working days before each meeting to allow time for these to be read in advance. Trustees are expected to prepare for and contribute appropriately and effectively to meetings.

Trustees should bring a fair and open-minded view to all discussions of the Board and should ensure that all decisions are made in the organisation's best interests.

Trustees are expected to foresee and avoid any conflict of interest. Where one arises, a Trustee is expected to declare the interest and if the Board requires it, to absent themselves from any discussion or vote taken on the matter. Any transaction under which the Trustee will benefit either directly or indirectly must have proper legal authority. See section 4 for further details.

Confidential information or material (relating to partners, donors, staff, commercial business, etc.) provided for, or discussed at a Board meeting should remain confidential and within the confines of the Board and should not be discussed outside the Trustee body.

Trustees have a responsibility to develop and ensure the maintenance of a properly constituted, balanced and competent Board. This includes clear procedures for the selection, election, training, retirement and, if necessary, removal of Trustees.

Staff

Trustees are expected to understand, accept and respect the difference in roles between the Board, the Chief Executive and the Executive Management Team, ensuring that all work is carried out effectively and cohesively for the benefit of the organisation, and develop a mutually supportive and loyal relationship.

The recruitment of the Chief Executive is the responsibility of the Board.

Support, management and appraisal of the Chief Executive is the responsibility of the Chair of the Board and the Nominations and Remuneration Committee, within the approved framework of the Nomination and Remuneration Committee.

Policies and strategies agreed by Trustees should be expressed in unambiguous and practical terms, so that the Chief Executive and staff responsible for implementing those policies are clear what they need to do. Directions given to the Chief Executive and staff should come from the Board as a whole. A sub-committee of the Board may be delegated the responsibility for clarifying or interpreting the requirements of the Board on specific issues.

Trustees should ensure there is a clear understanding of the scope of authority delegated to the Chief Executive (see section 11).

Having given delegated authority, Trustees should be careful - individually and collectively - not to undermine it by word or action.

Trustees should act fairly and in accordance with good employment and equal opportunities principles in making decisions affecting the appointment, recruitment, professional development, appraisal, remuneration and discipline of the Chief Executive.

The Trustees retain the ability to withdraw, clarify or amend delegated authority and powers at any time.

4. Declaration of interests policy

In attracting suitable people onto the Board and into Director posts, Integrity Action seeks those who have the governance and professional skills required to undertake these roles. Potential Board members and staff may well be drawn from organisations that have similar aims and values to Integrity Action or from a similar community of interest. This along with other interests may bring some potential for conflict of interest.

Integrity Action aims to uphold the Charity Commission's guidelines on the Responsibilities of Charity Trustees which state that 'trustees are required to act reasonably and prudently in all matters relating to the charity and need always to bear in mind that their prime concern is the interests of the charity. They cannot let their personal views or prejudices affect their conduct as trustee'.

To ensure good governance, Integrity Action has established a Trustee's declaration process and a register of interests. Trustees are expected to:

- sign the Trustees' declaration when joining the Board;
- register any interests that may impact on their work with Integrity Action in the register of interests held by the Company Secretary and update this annually; and
- declare any potential for conflict of interest that may arise due to the topics under discussion at a Board meeting.

To ensure openness and transparency and in the interests of good governance, the Executive Management Team of Integrity Action are also expected to declare and register any interests that may have an impact on their work with Integrity Action.

All Integrity Action partners are suitably checked before partnership is confirmed and at the start of each new contract with existing partners. Integrity Action partners are encouraged to develop suitable declaration of interest policies within Integrity Action programmes.

Declaration of interests

When joining the Board, Trustees are requested to sign the Trustee Declaration to demonstrate their suitability to join.

In addition, Integrity Action Trustees are expected to declare at a Board meeting any potential conflict of interest that may arise due to the topics under discussion e.g. any financial interest in the outcome of an agenda item, a competing interest or claim to a common donor or membership of an organisation.

Where a conflict of interest is declared at a meeting, the Chair of the Board will decide whether this requires the individual to withdraw for the discussion. Where a Co-Chair declares a conflict, the other Co-Chair will decide whether this requires the individual to withdraw for the discussion.

Register of interests

As stated in the Trustee declaration, Trustees are asked to declare any interests that may impact on their work with Integrity Action in the register of interests held by the Head of Finance. Similarly, Trustees are expected to register any interests that might impact their work with Integrity Action. The register of interests will be available to Integrity Action Trustees for inspection and will be maintained in compliance with the Data Protection Act and General Data Protection Regulation.

Declared interests may include:

- Family or close ties with members of Integrity Action's staff or Trustees;
- Relevant self-employment, directorships, trusteeships or equivalent positions and other; appointments or positions of authority;
- Relevant financial interests.

Trustees will be asked to update their entries in the register annually.

The Annual Report will include a statement indicating that a declaration of interest procedure is in place and indicating if Trustees have any competing interests.

[Gifts and bribery](#)

Occasionally Trustees or staff may receive a gift, benefit or an offer of hospitality arising from their position at Integrity Action. Any item considered exceeding GBP 50 must be declared and recorded in the register. See the Integrity Action Anti-corruption and bribery policy.

5. Chair of the Board of Trustees

The role

To provide strategic leadership to Integrity Action in collaboration with the Chief Executive and the Board of Trustees.

To inspire the Board and Chief Executive and those within and outside of Integrity Action through the promotion of the organisation's vision, mission and values. To oversee development and delivery of the charitable aims through the strategic plan, as agreed by the Board.

The Board may decide to appoint two persons in this role who will be identified as Co-Chairs.

Specific responsibilities

To undertake the duties of a Board member (see role specification below).

To Chair the Board by:

- Giving direction to policy and strategic decision making;

- Ensuring that the Board makes clear decisions on strategy, policy, financial stewardship and risk exposure;

- Monitoring the implementation of the Board decisions; and

- Planning the annual cycle of meetings with the Chief Executive.

To monitor the performance of the Board, its members and the Chief Executive.

To develop the Board and to ensure that members are properly inducted and supported.

To update and monitor the code of conduct for Board members and the scheme of delegation for the Chief Executive.

On behalf of the Board, to supervise and appraise the Chief Executive and delegate to the Chief Executive the management of the organisation.

To represent the organisation when appropriate.

Appointment and Term of office

The Nominations Committee of the Board suggests a Trustee to the Board to become the Chair of the Trustees. The Chair is accountable to the Board of Trustees.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. In exceptional circumstances this may be extended by one year to ensure continuity.

Chair of the Board of Trustees person specification

A commitment to the mission, aims and ethos of Integrity Action.

A proven track record of leading a large organisation in the public, voluntary or commercial sectors.

A good understanding of the social, economic and political context in which Integrity Action works and a willingness to further develop this understanding.

Able to effectively Chair a diverse Board of Trustees in governing a complex international organisation and commitment to the importance of diversity as part of good governance.

Understanding and ability to promote effective governance practices in the context of a registered UK charity.

Excellent networking with a record of achievement and willing to engage with contacts for the benefit of Integrity Action.

Highly credible, a natural communicator and 'people person'. Able to inspire audiences (staff, supporters etc.) with clear and compelling messages about Integrity Action.

The ability and willingness to represent the charity and to play an ambassadorial role with policy makers, supporters and others.

The confidence and ability to provide support to Trustees and to evaluate the performance of the Board.

The ability to provide supervision and guidance to the Chief Executive and to work collaboratively in developing and implementing the strategy and monitoring performance of the organisation.

Independence of thought and judgement with a willingness to accept and promote democratically made decisions of the Board, irrespective of personal opinion.

Time and enthusiasm to dedicate to the role of Chair. The commitment to prepare for and attend four full Board meetings each year and Board sub-committee meetings; to represent the organisation regularly; and to interact with the Chief Executive for regular supervisory meetings and to conduct their annual performance review.

A willingness to travel overseas to visit Integrity Action's work.

A commitment to the Trustees' code of conduct.

6. Audit Committee

Chair of the Committee

The role

To ensure Integrity Action acts in line with its charitable objectives and to maintain oversight of the organisations financial affairs on behalf of the Board of Trustees.

To provide guidance to the Board of Trustees and Chief Executive, and the Executive Management Team on financial stewardship of the organisation in line with the strategic aims.

To chair the Audit Committee in fulfilling its obligations as detailed in the terms of reference for the Audit Committee.

Specific responsibilities

The Chair of Audit Committee is delegated responsibility with the Chief Executive for approving and signing the Audit Engagement Letter.

To oversee Integrity Action's compliance with statutory requirements relating to the accounts of a company limited by guarantee and a registered charity before these are presented to the Board of Trustees.

To oversee the presentation and content of Integrity Action's organisational budgets, management accounts and long-term forecasts to ensure these are appropriate to a company and a charity.

To be a sounding Board for the Head of Finance and the Chief Executive and to work in partnership with the Executive Management Team.

To draw any major financial concerns to the attention of the Board of Trustees and Chief Executive.

To support the review of the reserves and risk management policies.

To meet with the external auditors annually without the Executive Management Team present.

To present the accounts to the Board of Trustees and draw attention to the important points.

Appointment and Term of office

The Nominations Committee of the Board suggests a Trustee to the Board to become the Chair of the Audit Committee. The Chair is accountable to the Board of Trustees.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period by another year if necessary to maintain scarce skills and experience on the Committee.

Chair of the Audit Committee person specification

Professional background in accountancy and audit.

Experience of financial management and audit in a large decentralised organisation at senior level.

Experience of investment and understanding of this in a charity context.

Experience of overseeing risk management – preferably in a not-for-profit organisation.

Understanding of the management and legal requirements of a UK registered charity.

Experience of managing complex contracts and contractual liability.

Prepared to make difficult and demanding recommendations to the Board.

Good coaching and mentoring skills to support the Head of Finance.

Previous experience as a trustee of a charity.

[Audit Committee Terms of reference](#)

Purpose

The Audit Committee is a sub-committee of the full Board and is required to retain a certain amount of independence. It needs to decide what areas it will review without interference from staff members or other Board members.

The role is to oversee all systems, controls and processes that may have an impact on the Charity's ability to meet its aims. The Audit Committee ensures that:

- Effective audit functions are in place (both external and internal)
- Adequate risk management processes are in place
- An adequate internal control environment is established
- Arrangements are in place to ensure compliance with Statements of Recommended Practices (SORP)
- Integrity Action's financial management processes are operating effectively.

Membership

The Audit Committee is a sub-committee of the Board of Integrity Action, and reports directly to the Board.

Committee members shall be appointed by the Board and shall consist of at least two Board members.

The Committee has the power to co-opt up to three members.

The Committee may appoint an external member of the Committee to provide an additional external and independent perspective. The external member of the committee is not a Trustee of the Board.

A quorum shall be two members.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period by another year if necessary to maintain scarce skills and experience on the Committee.

The Chair of the Committee shall be appointed by the Board.

The Chair of the Board cannot also be the Chair of the Audit Committee.

Specific responsibilities of the Audit Committee

To consider all aspects of the external audit, including periodic tendering, appointment and remuneration of the external auditor; the nature and scope of the statutory audit; the recommendation of audited financial statements to the Board; and the discussion of issues raised in the external auditor's management letter.

To ensure the annual financial statements are true and fair and conform to accounting standards and that accounting policies are appropriate and applied consistently.

To review the performance reported in the Trustees' Annual Report and ensure that this is a true reflection of the charity's performance.

To review all reports prepared by the external auditor and agree the programme of work proposed by management to address issues raised.

To review the process for awarding non-audit work to the external audit firm and ensure that potential conflicts of interest are managed in the best interests of the charity.

To consider and review all aspects of internal controls.

To approve expenses and corporate credit card expenditure of the CEO and ensure that it complies with the travel and expenses policy.

To monitor the compliance of Integrity Action with applicable law and regulation, as well as the Charity's own policies and procedures.

To monitor the assessment of risks to which the organisation is exposed, to ensure this is kept up to date and to ensure that management are charged with implementing controls to mitigate these risks.

To ensure that the risk management processes are adopted across the whole charity.

To review the risk assessment process from time to time to ensure that this is effective.

Review and evaluation

The Audit Committee is also responsible for:

Reviewing the operation of external audit and the adequacy of the level of assurance gained from the combined activities of both.

Reviewing the performance of the Audit Committee and assessing where change may be needed.

Attendance and frequency of meetings

The Audit Committee will meet at least four times a year – one of these meetings would include a session looking at the Trustees' Report and audited accounts.

The Chief Executive and the Head of Finance shall normally attend meetings. Other Board members shall also have the right of attendance.

At least once a year the Audit Committee shall meet with the external auditor without members of management present.

Meetings of the Audit Committee can be called at any time should the Chair of the Board, Chair of the Audit Committee or Chief Executive consider this is necessary.

Members should declare their interest in any agenda item at the beginning of the meeting to ensure there is no conflict of interest, as is consistent with Integrity Action's declaration of interests policy.

Reporting

The Audit Committee will formally report back to the Board after each meeting.

Details of significant decisions taken will be made available to all relevant parties.

7. Nominations and Remuneration Committee

Chair of the Committee

The role

To chair the Nominations and Remuneration Committee (NRC) in fulfilling its obligations as detailed in the terms of reference for the Nominations Committee.

Specific responsibilities

Oversee the appointment of new trustees, as well as all re-appointments.

To provide assurance to the Board that Integrity Action has an effective people and performance strategy in place which supports the delivery of our overall Strategy

Oversee remuneration and benefits offering.

Ensure all trustees are compliant with Code of Conduct.

Appointment and Term of office

The Board nominates the Chair of the Nominations and Remuneration Committee. The Chair of the NRC is accountable to the Board of Trustees.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period by another year if necessary to maintain scarce skills and experience on the Board.

Chair of Nominations and Remuneration person specification

Understanding of the requirements of good governance in a UK registered charity.

Ability to guide the Committee in the selection and development of the Board of Trustees.

Nominations and Remuneration Committee Terms of reference

Purpose

The Nominations Committee exercises general oversight concerning matters pertaining to the structure, composition and effectiveness of Integrity Action's Board and its Committees.

Responsibility for reviewing remuneration of the Executive Team and making recommendations to the Board

Responsibility for Executive Performance Management System

Performance appraisal of the Board

Membership

The NRC is a sub-committee of the Board of Integrity Action, and reports directly to the Board.

Committee members shall be appointed by the Board and shall consist of at least two Board members.

The Committee has the power to co-opt up to three members.

The Committee may appoint an external member of the Committee to provide an additional external and independent perspective. The external member of the committee is not a Trustee of the Board.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period by another year if necessary to maintain scarce skills and experience on the NRC.

The Chair of the Committee shall be appointed by the Board.

The Chair of the Board cannot also be the Chair of the NRC.

Quorum

The quorum necessary for the transaction of business shall be two committee members.

Frequency of Meetings

The committee shall meet at least twice a year and otherwise as required.

Notice of meetings

Meetings of the committee shall be called by the secretary of the committee at the request of the committee Chair.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

Minutes of meetings

The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.

Draft minutes of committee meetings shall be circulated promptly to all members of the committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the committee Chair it would be inappropriate to do so.

Tasks with regards to nominations

Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes.

Give full consideration to succession planning for trustees and other senior executives in the course of its work, taking into account the challenges and opportunities facing the charity, and the skills and expertise needed on the Board in the future.

Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to continue sustainable operations.

Keep up to date and fully informed about strategic issues and commercial changes affecting the charity and the market in which it operates.

Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.

Before an appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and

capabilities required for a particular appointment. In identifying suitable candidates the committee shall:

- use open advertising or the services of external advisers to facilitate the search
- consider candidates from a wide range of backgrounds

Consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.

For the appointment of a Chair or Co-Chair of the Board of Trustees, the committee should prepare a job specification, including the time commitment expected. A proposed Chair's other significant commitments should be disclosed to the Board before appointment and any changes to the Chair's commitments should be reported to the Board as they arise.

Prior to the appointment of a non-executive director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest.

Ensure that on appointment to the Board receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings.

Review the results of the Board performance evaluation process that relate to the composition of the Board.

Review annually the time required from trustees. Performance evaluation should be used to assess whether the trustees are spending enough time to fulfil their duties.

Work and liaise as necessary with all other Board committees.

The committee shall also make recommendations to the Board concerning:

Formulating plans for succession for both executive and non-executive directors.

Membership of the audit and remuneration committees, and any other Board committees as appropriate, in consultation with the Chair of those committees.

The re-appointment of any trustees at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required.

Any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the charity subject to the provisions of the law and their service contract.

The appointment of any director to executive or other office.

Tasks in regards to executive remuneration

Have responsibility for setting the remuneration policy, recommend and monitor the level and structure of remuneration for all members of the Executive Management Team, including pension rights and any compensation payments.

Recommend and monitor the level and structure of remuneration for the Executive Management Team.

In determining such policy, take into account all factors that it deems necessary including relevant legal and regulatory requirements, and any recommendations and associated guidance from the Charities Commission. The objective of such policy shall be to attract, retain and motivate executive management of the quality required to run the charity successfully without paying more than is necessary, having regard to views of stakeholders. The remuneration policy should have regard to the risk appetite of the charity and alignment with the charity's long strategic term goals.

When setting remuneration policy review and have regard to pay and employment conditions across the charity, especially when determining annual salary increases.

Review the on-going appropriateness and relevance of the remuneration policy.

Within the terms of the agreed policy and in consultation with the Chair and/or Chief Executive, as appropriate, determine the total individual remuneration package of each executive director, and other designated senior executives.

Obtain reliable, up-to-date information about remuneration in other charities of comparable scale and complexity. To help it fulfil its obligations the committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information that it deems necessary at the expense of the charity but within any budgetary restraints imposed by the Board.

Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee.

Approve the design of the Executive Performance Management System.

Determine the policy for, and scope of, pension arrangements for each executive.

Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the charity, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

Oversee any major changes in employee benefits structures throughout the charity.

Agree the travel and expenses policy and the procedures for authorising expense claims.

Work and liaise as necessary with all other Board committees.

Reporting responsibilities

The committee Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

The committee shall produce a report to be included in the charity's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used.

Other matters

Arrange for periodic reviews of its performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

The committee is authorised by the Board to obtain, at the charity's expense, outside legal or other professional advice on any matters within its terms of reference.

8. Funding Committee

Chair of the Committee

The role

To Chair the Funding Committee in fulfilling its obligations as detailed in the terms of reference for the Funding Committee. The Chair works closely with the Chair and members of the Integrity Action Development Group.

Specific responsibilities

To monitor and review the funding pipeline and report to the Board on matters of significance.

To support management in the mobilisation of resources.

Appointment and Term of office

The Nominations Committee of the Board suggests a Trustee to the Board to become the Chair of the Funding Committee. The Chair is accountable to the Board of Trustees.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period by another year if necessary to maintain scarce skills and experience on the Board.

Funding Committee Terms of reference

Purpose

To monitor and review the funding pipeline and report to the Board on matters of significance and to support management in the mobilisation of resources.

Tasks

- 1) To monitor and review the funding outlook for two years' time of going concern issues.
- 2) To monitor and review the 'Funding pipeline' to ensure its maintenance is live (e.g. as indicated by entry and exit of funding possibilities and changes in win probabilities, and whether the number, quality and diversification of prospects is growing).
- 3) To monitor and review the prospects of securing a minimum to finance Integrity Action as a thought leadership charity making impact.
- 4) To identify any major issues that may arise from consideration of its monitoring and review remit.
- 5) To ensure that the executives make available required papers to required quality on a timely basis for meetings.
- 6) To ensure that funds are raised in an ethical manner and in accordance with the Guidelines of the Charity Commission.
- 7) To make regular reports to the Board on items 1 to 6 above.

Membership

The Committee shall be made up of at least two members, including the Chair, and Chief Executive.

Frequency of Meetings

The Committee will meet at least four times a year.

9. Ethics Point Person

The role

A Trustee is tasked with being the Ethics Point Person on the Board to address ethical concerns concerning the senior management of the organisation, in particular the Chief Executive.

Specific responsibilities

If employees of Integrity Action, partners or other stakeholders of the organisation have complaints or concerns or other ethical concerns about the senior management that they do not feel they can address directly with the management, an Ethics Point Person will be available to hear their complaints or concerns. The Ethics Point Person is the primary point of contact on the Board for whistle-blowers.

The Ethics Point Person is asked to hear all sides of the complaint or concern and to recommend an appropriate course of action either directly to the Chief Executive or to the Chair of the Board.

When ethical matters arise, the Ethics Point Person would normally be expected to report this at the next Board meeting. They would also ensure compliance with transparency requirements under the International Aid Transparency Initiative.

Appointment and Term of office

The Nominations Committee of the Board suggests Trustee to the Board to become the Ethics Point Person. The Ethics Point Person is accountable to the Board of Trustees.

The term of appointment is for three years with the possibility of two terms of renewal for a maximum of nine years. Exceptions may be made by the Nominations Committee to extend this period for a maximum of an additional one year if this is necessary to maintain scarce skills and experience on the Board.

Person specification

Executive level management experience or senior Human Resource experience.

10. Terms of reference of the Development Group

Purpose

To contribute to financial sustainability of Integrity Action through targeted fundraising and strengthening the organisation's base of support.

Membership

The Term of Office for members is a minimum of 3 years, with the possibility of renewal.

Recruitment of new members to be in conversation with members of the Integrity Action Development Group, the Nominations and Remuneration Committee and Chief Executive.

Tasks

Development Group Committee members agree to make a personal pledge for multi-year support of at least £3,000 a year for 3 years.

Development Group Committee members endorse the work of Integrity Action to prospective funders and supporters, including foundations, corporations, and individuals.

Development Group Committee members introduce to at least one new member of the Development Group or one prospect funder or supporter per annum.

11. Scheme of delegation to the Chief Executive

Introduction

This scheme of delegation sets out the authority delegated by the Board of Trustees of Integrity Action to the Chief Executive and authority delegated to him/her. It refers to the job description of the Chief Executive and addresses areas that require more detailed operational procedures to enable accountable, effective, and efficient leadership and management, and checks and balances.

Chief Executive

The Chief Executive develops the strategy for the organisation based on Integrity Action's vision in consultation with the Board, the staff, and external stakeholders.

The Chief Executive is responsible for the delivery of all Integrity Action's contracts based on the organisation's strategy.

The Chief Executive is responsible for ensuring the organisation is assessing and managing organisational risk on an on-going basis and reporting the findings to the Board in conjunction with the recommendations of the Audit Committee.

The Chief Executive and Head of Finance provide regular reports detailing income and expenditure against the approved organisational budget to the Board at the quarterly meetings. Any concerns that arise outside of the reporting schedule will be drawn to the attention of the Board.

The Chief Executive reports to the Board of Trustees.

Scheme of delegation

The Chief Executive is delegated authority to vary the annual financial allocations by a total amount not exceeding 10%. The Board of Trustees must approve any variation in excess of this amount.

The Chief Executive is delegated authority for entering into funding arrangements of up to £2,000,000 for single agreements or contracts. Above this level a quorum of the Board must approve the arrangement.

In terms of expenditure, including grant making and sub-contracts, the Audit Committee must approve all expenditure over £10,000 which is not in the approved budget. If expenditure is in the approved budget the CEO can approve expenditure up to £100,000.

The Chief Executive is delegated responsibility for entering into lease agreements up to 2 years. Lease agreements in excess of this period require the approval of the Chair of the Audit Committee.

Recruitment and management of staff

The Board of Trustees delegates the approval of the staffing establishment of Integrity Action to the Chief Executive. Subject to the policies and procedures detailed in the staff manual, the Chief Executive is responsible for the guidance, support and supervision of staff.

Senior staff, including members of the Executive Management Team, are recruited by the Chief Executive.

The Chief Executive reports on staffing establishment annually to the Board of Trustees. The Chief Executive will conduct an annual staff satisfaction survey with a full report on its findings and ensuing recommendations to be made to the Board.

Public relations

The Board delegates to the Chief Executive the joint role of principal spokespersons for Integrity Action. This responsibility will be exercised within the policies and procedures of the organisation. The Board will refer all media enquiries to him/her except those dealing with the Board and its governance in which case the Chair and another trustee (who shall not be the Chair of Audit Committee) will also be consulted.

Reportable events

The Chief Executive will be expected to ensure that the Head of Finance reports any irregularity that involves significant risk to the organisation e.g. fraud, deception, mismanagement or misbehaviour that is likely to lead to significant financial loss or liability, loss of life or sickness or any other potential reputational damage to the Chair of the Audit Committee. The Chief Executive is also expected to report any irregularity that involves significant risk to the organisation - as described above - to the Chair of the Board. Appropriate reporting will then be made to the Board.

Term

This scheme of delegation will be reviewed regularly to ensure it is relevant to the circumstances of the day. The Board at its sole discretion may revoke this scheme of delegation or any part thereof at any time.

12. Schedule of Reserved Powers for the Board of Trustees

Statement of reserved power

Integrity Action's Scheme of Delegation of Authorities requires a schedule showing decisions reserved for the Board of Trustees. This schedule shall cover principle business activities and functions only.

In order to carry out its role, the Board of Trustees has determined those matters that it wishes to have referred to it for information and decision making purposes.

Strategy, Management and Governance

To approve and own the strategic direction for the organisation including its vision, aims and strategies and to guide Integrity Action to achieve its aims in the most efficient and effective manner consistent with organisational values and approach.

To take ultimate responsibility, as per the Articles of Association, for governance and management of the charity whilst delegating operational management to the Chief Executive.

To approve multi-year plans and budget projections, to monitor progress against these and to approve any material changes (defined as in excess of 10% of budget).

To monitor and evaluate the progress of the organisation against its strategic aims, objectives and financial targets (including cash flow and reserves) by review and analysis of the quarterly reports received from the Chief Executive.

To maintain oversight of Integrity Action's operations ensuring:

- competent and prudent management
- sound planning
- an adequate system of internal control
- adequate accounting and other records
- compliance with statutory and regulatory obligations.

To ensure that the organisation functions within the legal and financial requirements of a registered charity – industrial, financial, charitable, health and safety, data protection, UK Bribery Act, etc.

To regularly monitor the context and operating environment in which Integrity Action works and to address emerging issues that may impact on strategy, implementation of plans or reputation with key stakeholders.

To approve any decisions to cease to operate all or any material part of Integrity Action's business.

To ensure that the organisation has the resources, both human and financial, to achieve its aims.

To ensure that a process for declaring interests is in place.

To follow the Integrity Action Trustee code of conduct.

To receive annual Health and Safety Assessment.

To approve the reserves policy for Integrity Action.

Structure and Capital

To decide on any major changes to Integrity Action's corporate structure.

To make any decisions on changes to Integrity Action's status as a company or registered charity.

Financial Reporting and Controls

To ensure an on-going risk assessment and management process is in place across the organisation that is informing policies, procedures and plans and that Trustees are provided with formal updates on this process and the outcomes and advised of any significant changes as they occur.

To ensure maintenance of a sound system of internal control and risk management including:

- Receiving reports on, and reviewing the effectiveness of, Integrity Action's governance, risk and control processes to support its strategy and objectives.
- Approving an appropriate statement for inclusion in the annual report.
- Receiving Audit Committee's recommendation on the review of the external auditor's management letter and the Internal Audit annual assurance report and management responses to the matters raised in these.

To approve annual reports and accounts for Integrity Action.

To ensure that a register of fraud is held and made available to all trustees and that serious fraud is reported to the Board as a whole and investigated.

To approve write-off of bad debts or repaid funding in excess of £250,000.

Commitments

To approve contracts which are a material departure from practice strategically and/or are of significant high risk (as identified in the risk register) or by reason of size (as per the Scheme of Delegation of Authorities).

To approve investments outside of those delegated to the Chief Executive.

Board of Trustees' membership and other appointments

To select a Chair, Co-Chair, and other honorary officers of the Board of Trustees and ensure adequate succession planning in place for these roles

To employ and supervise a Chief Executive and delegate to him/her the management of the organisation.

The Chair of Trustees, supported by the Nominations and Remuneration Committee and the Chief Executive is responsible to ensure that the processes of governance are carried out effectively.

To approve changes to the structure, size and composition of the Board of Trustees;

Oversee Trustee selection, induction, review and rotation and ensuring a mix of governance skills and a diversity of membership;

Evaluation of performance of the Board to undertake the duties as described above;

Ensuring other sub committees of the Board are constituted appropriately, have the right membership and chair and are effective as necessary for good governance;

Ensure Board meetings are held regularly and minuted;

Appointment or removal of a company secretary;

Appointment, re-appointment or removal of the external auditors to be put to the members for approval;

To provide advice and guidance in subject areas where the Trustee has particular expertise to the Board and Chief Executive where appropriate.

Remuneration

Determining the remuneration policy for the Chief Executive and other members of the Executive Management Team.

Appointment, appraisal, disciplining and dismissal of the Chief Executive.

Major changes to Integrity Action's pension scheme.

To sit on appraisal, recruitment and disciplinary panels as required.

Approving the annual UK cost of living increase (if given).

13. Trustee induction, travel and expenses

Induction

Integrity Action aims to provide Trustees with the induction and support to carry out their role effectively.

On joining the Board a Trustee will be provided with a copy of this Governance Manual and referred to our website, www.integrityaction.org which contains a wealth of material about our work.

Formal induction sessions are organised by the UK office to take Trustees through the history, legal structure, vision, values, strategy and plans of the organisation and an overview of the management and governance functions.

Trustees are also encouraged to take advantage of the materials provided by the Charity Commission on their website and of the various networking and training opportunities provided by the sector.

Programme visits

Trustees are encouraged to visit Integrity Action's programmes and partners to understand the issues facing our staff and partners and of the work in country. Furthermore, this provides a valuable opportunity for staff and partners to meet Trustees.

The Chair of the Board is encouraged to visit a country programme in their first year in post if possible, unless they have already visited as a Trustee or in another capacity.

If traveling at the expense of Integrity Action, trustees are expected to travel under the same terms as other staff members e.g. economy class air travel, advance purchase economy train tickets etc. and to stay in modest yet safe and secure accommodation (see Integrity Action expenses policy). If Trustees wish to upgrade their travel and accommodation standards themselves this is, of course, their choice.

Expenses

Under charity law, Trustees cannot receive any direct or indirect benefit from Integrity Action. However, reasonable expenses incurred as a result of carrying out Trustee responsibilities are not classified as Trustee benefits.

Reasonable out of pocket expenses for undertaking overseas business at Integrity Action's request will be covered by Integrity Action. Integrity Action does not cover expenses for attending quarterly trustee meetings in London.

Trustees can be reimbursed reasonable out-of-pocket expenses incurred as a result of attending ad hoc meetings (i.e. not Board meetings or sub-committee meeting), official visits to country programmes as requested by Integrity Action or in carrying out their duties as requested by the Chair of the Board.

All expenses should be accounted for in a manner consistent with Integrity Action's financial procedures – see the Travel and Expenses policy.

Difficulties can arise when it is not clear that the expense is wholly and exclusively incurred for the benefit of the charity. Charity lawyers have indicated that grey areas include travel abroad related to the work of the charity e.g. a programme visit where a Trustee stays on for a private holiday. In such cases, reimbursable costs need to be linked with the primary purpose of travel.

It is suggested to Trustees who kindly wish to contribute to Integrity Action for the cost of a visit do this as an unrelated gift.

Health and insurance

Trustees are encouraged to consult their own medical adviser before traveling to ensure they carry sufficient prescribed medication with them, are fully immunized and take protective measures to combat the incidence of illness or tropical diseases while traveling.

Integrity Action has travel insurance covering people traveling on business.

Appendix One: Current trustees' terms of office

Integrity Action Board of Trustees in Companies House Register at June 2019:

Name	Role on the Board	Year of appointment
Alan Barlow	Chair of the Funding Committee	2012
Siobhan Turner	Chair of the Audit Committee Member of Nominations and Remuneration Committee	2013
Philip Welply	Chair of the Nominations and Remuneration Committee	2013
Gail Klintworth	Chair of the Board Member of the Audit Committee	2019
Sam De Silva	Board member	2019
Merryl Lawry- White	Board member	2019
Paul Maassen	Board member	2019

Appendix Two: Declaration of interests form

Under accounting standards, we must disclose **all** transactions with persons or entities that are closely connected to Integrity Action or its trustees/directors, members or key management personnel.

The purpose of this form is to identify all the relevant persons and entities that may be related to you, and the transactions (if any) that have occurred in the period from **1 September 2018 to date of signature**.

<p>Name:</p> <p>Role in Integrity Action</p> <p>Trustee/Key management (specify job title)</p> <p>Date appointed/joined</p>
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Important

Please ensure an answer is put in each box, even if the answer is 'No' or 'not applicable'

Category: You

Question	Answer	Details
Are you remunerated a salary by the organisation?		<i>Note: amount does not need to be disclosed</i>
Have you claimed any expenses from the organisation?		<i>Note: include amount and details of spend e.g. travel or subsistence</i>
Have you made donations (cash or in kind) to the organisation?		<i>Include amount/approximate value of gift in kind and any conditions attached</i>
Have there been any other transactions between you and the organisation? (excluding reimbursement of expenses)		

Category: Close family and business partners

Close family member	Name of related party	Transactions with the organisation

Spouse or domestic partner (even if no transactions)		
Your children or dependents (only if there are transactions)		
Your spouse or domestic partner's children or dependents (only if there are transactions)		

Category: Entities that you or any of the above have significant influence over

Type of entity	Name of related party	Transactions with the organisation
Entities where you are a director or trustee (even if no transactions)		
Entities which are your employer (if any)		
Entities where you hold more than 20% of the share capital		
Any other entities that you exercise influence over?		

Other

Are there any other matters, including any potential conflicts of interest, which you wish to disclose?

Fit and proper status

In addition to the above disclosures, I confirm, for the purposes of my annual declaration, that I am a fit and proper person to act as Trustee/Senior Management of Integrity Action under the Finance Act 2010. In this respect I confirm that:

- ◆ I am not disqualified from acting as a charity trustee/senior manager (see Appendix 2);

- ◆ I have not been convicted of an offence involving deception or dishonesty (or any such conviction is legally regarded as spent);
- ◆ I have not used arrangements notified under the Disclosure of Tax Avoidance Schemes ("DOTAS") rules in Part 7 Finance Act 2004 in respect of which a reference number has been issued under section 311 of Finance Act 2004, where the arrangements featured charitable reliefs or which used a charity, and where my tax position has been adjusted by HMRC to wholly or partly remove the tax advantage generated by the arrangements and such adjustments have become final.
- ◆ I have not used tax arrangements which have been successfully counteracted under the general anti-abuse rules (see Part 5 of Finance Act 2013 or section 10 National Insurance Contributions Act 2014, as enacted or as amended from time to time) where such counteraction has become final.
- ◆ I have not been actively involved in designing and/or promoting tax avoidance schemes featuring charitable reliefs or which used a charity, and I am not:
 - ◆ a promoter named by HMRC under the Promoters of Tax Avoidance Schemes (POTAS) legislation in Part 5 of Finance Act 2014, or
 - ◆ a promoter of any tax arrangements designed or intended to obtain for any person a tax advantage and such tax advantage has successfully counteracted by HMRC under the general anti-abuse rule (see Part 5 of Finance Act 2013 and section 10 National Insurance Contributions Act 2014 as enacted or as amended from time to time) and such counteraction has become final, or
 - ◆ a promoter of arrangements notified under DOTAS, in respect of which a reference number has been issued under section 311 of Finance Act 2004, and the tax position of all or any of the users of the arrangements has been adjusted by HMRC to wholly or partly remove the tax advantage generated by the arrangements and such adjustments have become final;
- ◆ I am not an undischarged bankrupt;
- ◆ I have not made compositions or arrangements with my creditors from which I have not been discharged;
- ◆ I have not been removed from serving as a Charity Trustee, or been stopped from acting in a management position within a charity;
- ◆ I have not been disqualified from serving as a Company Director;
- ◆ I will at all times seek to ensure the charity's funds, and charity tax reliefs received by this organisation, are used only for charitable purposes

I confirm the information detailed on this form, to the best of my knowledge, is correct at the time of completion.

Signed:

Date:

Appendix 1 – Definition of related parties

Related parties is a term used by the SORP that combines the requirements of charity law, company law and the Financial Reporting Standard applicable in the UK and the Republic of Ireland. The term is used to identify those persons or entities that are closely connected to the reporting charity or its trustees. The following ‘natural persons’ are classed as related parties:

- A. any charity trustee and custodian trustee of the charity;
- B. a person who is the donor of any land to the charity (whether the gift was made on or after the establishment of the charity); and
- C. any person who is:
 1. a child, parent, grandchild, grandparent, brother or sister of any such trustee (A) or donor (B) of land;
 2. an officer, agent or a member of the key management personnel of the charity;
 3. the spouse or civil partner of any of the above persons (A, B, C1 and C2);
 4. carrying on business in partnership with any of the above persons (A, B, C1, C2 and C3);
 5. a person, or a close member of that person’s family, who has control or joint control over the reporting charity;
 6. a person, or a close member of that person’s family, who has significant influence over the reporting charity.

‘Close member of a person’s family’ refers to:

- a. that person’s children or spouse;
- b. the children, stepchildren or illegitimate children of that person’s spouse or domestic partner;
- c. dependents of that person; and
- d. that person’s domestic partner who lives with them as husband or wife or in an equivalent same-sex relationship.

A charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be ‘related’ if the relationship means that one charity, in furthering its charitable aims, is under the direction or control of the trustees of another charity.

The following entities, which are not ‘natural persons’, are classed as related parties of a reporting entity (including a reporting charity) if any of the following conditions apply:

- ◆ the entity and the reporting charity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- ◆ one entity is an associate or joint venture of the other entity (or a member of the group in which the other entity is the parent or a member);
- ◆ both entities are joint ventures of the same third entity;
- ◆ one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- ◆ the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;

- ◆ an entity that is controlled or jointly controlled by a person, or two or more persons, identified in A, B or C;
- ◆ an entity in which a person, or two or more such persons, identified in A, B or C, taken together, have a substantial interest or significant influence over the entity;

Control is presumed to exist when one or more persons identified in A, B or C, taken alone or together, hold directly or indirectly, more than half the voting power of an entity. However, control can also exist when they, directly or indirectly, control half or less than half of the voting power of an entity, if they have:

- ◆ power over more than half of the voting rights by virtue of agreement with other investors;
- ◆ the power to govern the financial and operating policies of the entity under a statute or an agreement;
- ◆ the power to appoint or remove the majority of the members of the board of directors or equivalent governing body, and control of the entity is by that board or body; or
- ◆ the power to cast the majority of votes at the meetings of the board of directors or equivalent governing body, and control of the entity is by that board or body.

An individual has a substantial interest or significant influence in an entity where that person, or two or more persons identified in A, B or C, taken together, have an interest in the equity share capital of that entity of a nominal value of more than one-fifth of that share capital, or is entitled to exercise, or control the exercise of, more than one-fifth of the voting power at any general meeting of that entity.

Appendix 2 - disqualification from acting as trustee/director

Since 1 August 2018, you are automatically disqualified from acting as a trustee/senior manager (Chief Executive/Finance Director or their equivalents) if:

1. You have an **unspent** conviction for any of the following
 - a) an offence involving **deception or dishonesty**
 - b) a **terrorism** offence
 - a. to which Part 4 of the Counter-Terrorism Act 2008 applies
 - b. under sections 13 or 19 of the Terrorism Act 2000
 - c) a **money laundering** offence within the meaning of section 415 of the Proceeds of Crime Act 2002
 - d) a **bribery** offence under sections 1, 2, 6 or 7 of the Bribery Act 2010
 - e) an offence of **contravening a Commission Order or Direction** under section 77 of the Charities Act 2011
 - f) an offence of **misconduct in public office, perjury or perverting the course of justice**
 - g) In relation to the above offences, an offence of: attempt, conspiracy, or incitement to commit the offence; aiding, or abetting, counselling or procuring the commission of the offence; or, under Part 2 of the Serious Crime Act 2007(encouraging or assisting) in relation to the offence
2. You are **on the sex offenders register** (i.e. subject to notification requirements of Part 2 of the Sexual Offences Act 2003)
3. You have an unspent sanction for **contempt of court** for making, or causing to be made, a false statement or for making, or causing to be made, a false statement in a document verified by a statement of truth
4. You have been found guilty of **disobedience to an order or direction of the Commission** under section 336(1) of the Charities Act 2011.
5. You are a **designated person** for the purposes of Part 1 of the Terrorist Asset-Freezing etc. Act 2010, or the Al Qaida (Asset Freezing) Regulations 2011.
6. You have **previously been removed as an officer, agent or employee of a charity** by the Charity Commission, the Scottish charity regulator, or the High Court due to misconduct or mismanagement
7. You have **previously been removed as a trustee** of a charity by the Charity Commission, the Scottish charity regulator, or the High Court due to misconduct or mismanagement
8. You have been **removed from management or control of anybody** under section s34(5)(e) of the Charities and Trustee Investment (**Scotland**) Act 2005 (or earlier legislation)
9. You are **disqualified from being a company director**, or have given a disqualification undertaking, and leave has not been granted (as described in section 180 of the Charities Act) for you to act as director of the charity
10. You are **currently declared bankrupt** (or subject to bankruptcy restrictions or an interim order)
11. You **have an individual voluntary arrangement (IVA)** to pay off debts with creditors
12. You are **subject to** a moratorium period under a **debt relief order**, or a debt relief restrictions order, or an interim order
13. You are subject to an order made under s.429(2) of the Insolvency Act 1986. (**Failure to pay under a County Court Administration Order.**)