

## IWA CODE OF CONDUCT FOR TRUSTEES

### **Introduction**

1. Trustees have legal duties and responsibilities. The most important of these are summarised in the Charity Commission's leaflet **The Essential Trustee – What You Need to Know** (<https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-cc3>). The directors of a charitable company (such as IWA) are charity trustees and have duties under company law as well as charity law.

2. This Code of Conduct is not a list of trustees' legal duties, although many of the elements of the Code are based on legal principles. The conduct and practices recommended in this Code go beyond what the law requires in some respects but they are nevertheless fully consistent with the law.

### **Purpose of a Code of Conduct**

3. To set out the relevant standards expected of trustees in order to maintain the highest standards of integrity and stewardship; to ensure that the Association is effective, open and accountable; and to ensure a good working relationship with the chief executive and other employees.

### **The Code**

#### **General**

4. Trustees must act with probity, due prudence and should consider taking professional advice on any matter of significance to the Association where they do not have expertise themselves.
5. Trustees must administer the organisation and all its assets in the interest of current, potential and future beneficiaries (i.e. the inland waterways, and the general public).
6. Trustees should hold themselves accountable to the Association's stakeholders, including the public, for (a) the Board of Trustees' decisions, (b) the performance of the trustees, individually and collectively, and (c) the performance of the Association.
7. Except where legally authorised, trustees must not gain financial or other material benefit for themselves, their families or their friends from their trusteeship of the Association. The Board of Trustees should ensure that there are clear written policies on claiming of expenses by trustees.
8. Trustees must not place themselves under any financial or other obligation to outside individual organisations that might influence them in their performance of their duties as trustees.
9. Trustees should conduct themselves in a manner which does not damage or undermine the reputation of the Association, or its employees or volunteers, individually or collectively, and should not take part in any activity which is in conflict with the objects or which might damage the reputation of the Association.
10. Trustees should make decisions together and take joint responsibility for them. The extent to which any one trustee or a small group of trustees is empowered to speak for or take action on behalf of the Association or the Board of Trustees must (subject to any specific constitutional rules) be a matter for all trustees to decide together. Such decisions must be recorded.

#### **Responsibilities**

11. Trustees must, with the help of the chief executive and other senior employees, formulate and review regularly the Association's vision, values and long-term strategy, as well as policies for its fulfilment. They should also set and agree targets and evaluate performance against them.
12. With the guidance of the chief executive, finance manager and appropriate professional advisors, trustees must ensure that the Association complies with regulatory and statutory requirements and must exercise overall control over its financial affairs to ensure the financial stability of the Association. In addition to compliance with statutory requirements, trustees should have a commitment to the development and implementation of good practice.

13. Trustees must be familiar with, and keep under regular review, the rules and constitution of the Association. Any changes must be made in accordance with constitutional and legal requirements.

14. Trustees should safeguard the Association's good name, its assets and ensure the proper investment of the Association's funds.

15. Trustees should be familiar with the Association's activities and, where appropriate, visit events, activities and meetings to gain experience and first-hand knowledge.

### ***Meetings of the Board of Trustees***

16. Trustees must strive to attend all meetings of the Board of Trustees, ensuring that they prepare for and contribute appropriately and effectively.

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

18. Trustees must aim to foresee and avoid conflicts of interest. Where one arises, trustees must at once declare the interest and absent themselves from any discussion by other trustees, unless requested by the other trustees to remain in attendance for purposes of questioning, and must not participate in any vote on the matter. Any transaction under which trustees would benefit either directly or indirectly must have proper legal authority (e.g. approval from the Charity Commission). Issues that might affect, or benefit, a broad range of people (e.g. all boat-owners) are not considered conflicts of interest for this purpose.

19. Confidential information or material (relating to members, employees, volunteers, commercial business, etc) provided to, or discussed at a meeting of the trustees must remain confidential and within the confines of the Board of Trustees, and must not be discussed outside.

### ***Employees and Volunteers***

20. Trustees must ensure there is a clear understanding of the scope of authority delegated to the chief executive, and of the scope of the work and authorities delegated to committees and officers of the Association.

21. Policies and strategies agreed by trustees should be expressed in unambiguous and practical terms, so that the chief executive, other employees and volunteers responsible for implementing those policies are clear what they need to do. Directions given to the chief executive, employees and volunteers should come from, or on behalf of, the Board of Trustees as a whole.

22. Trustees should appoint the chief executive and 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 and other employees.

23. Trustees should appoint members of national committees and the boards of subsidiary companies and act fairly and in accordance with equal opportunities principles in making decisions affecting the appointment, recruitment, development, appraisal and discipline of all voluntary officers of the Association and, where appropriate, its subsidiary companies.

24. Trustees must understand, accept and respect the difference in roles between the Board of Trustees, the chief executive and other senior employees and officers of the Association, ensuring that the Board of Trustees, the chief executive, other officers of the Association and other senior employees work effectively and cohesively for the benefit of the Association, and develop a mutually supportive and loyal relationship.

25. Having given the chief executive and others delegated authority, trustees should be careful – individually and collectively – not to undermine it by word or action.

*Approved by Trustees – April 2017*