

Good Practices for ActionAid Governance

(Referred to as 'Governance Manual' in the AAI Constitution)

Approved by the AAI Board on 1st October 2010

**The Assembly should approve 5.15.2 and 9.3 in its 2011 Annual General
Meeting**

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One: This Document and How to Use It

1.1 Why do we need this document?

ActionAid International (AAI) is an international organisation that works with poor and excluded people to eradicate poverty and injustice.

This governance manual aims to guide all AAI's stakeholders on AAI's governance and also to stimulate discussion, debate and consensus on AAI's appropriate governance practices. It is a point of reference and is neither final nor complete.

The manual draws on other ActionAid International documents including the Constitution and Membership Regulations. As a legal document, the Constitution has priority over this manual in the event of disagreement. Annexure 9 presents an outline of the Constitution for reference.

It is hoped that parts of this manual will be helpful to new Associates drafting their own manuals.

Governance is a means to an end. In the case of AAI, the end is the eradication of poverty and injustice. Ultimately that mission is what matters and documents such as this are simply aids to achieve AAI's mission. .

1.2 Whom is this document for?

This manual has been written primarily for:

- Potential and new ActionAid International Assembly representatives and Board members
- Potential and new members of national General Assemblies and Boards
- Members of staff of ActionAid's International Secretariat, Members and country programmes
- Donors
- Partners of ActionAid International and Members
- Government representatives
- Interested members of the public
- Others interested in the governance of the organisation.

1.3 What is in this document?

This document describes the relationships between the ActionAid International Members, Assembly, Board and International Secretariat. It highlights ActionAid International's governance structures, policies and processes. After introductions and general description of AAI's governance structure, it focuses in turn on key components: Assembly, Board, office bearers and Committees. More detailed information is provided in the Annexures at the end.

For clarity and simplicity most of the document is written in the present tense without legal distinctions involving words such as "will" or "should". Statutory requirements, good practice from outside ActionAid and lessons learned from ActionAid experience are combined, with the source specified where it seems helpful to do so.

1.4 How to use this document?

The document is an evolving document that crystallises governance policies, standards and processes from the culturally diverse experiences and wisdom of all ActionAid International's constituents. It is therefore both a point of reference and a focus for debate. It is never complete and never perfect and the Board's Governance & Board Development Committee is likely to consider revisions at least once a year.

New members of the international Board are recommended to read this document in full. Others may wish to focus on particular sections.

The ActionAid International Board is responsible for approving suggested changes and finalising the document. The Convener of the Board's Governance & Board Development Committee and the Chief Executive welcome suggested changes and improvements.

Two: About ActionAid International

This chapter describes the history and distinctive characteristics of ActionAid International. Some of the characteristics develop over time and are especially likely to change through the new international strategy to be agreed in 2011.

2.1 Why ActionAid International was formed

ActionAid International was formed in recognition that we can have greater impact in our fight against poverty if we act in coalition and partnership with others at local, national and global levels. We believe that the solution to poverty lies in a global movement that is led by poor and excluded people acting against poverty, cutting across national and south-north boundaries. The founding of ActionAid International was our participation in, and contribution to, this movement.

It also involved a cultural transformation through the development and sharing of a unifying set of core values and a common vision, identity, mission and strategy, with shared standards and systems for collective and determined action across organisational and national boundaries.

The founding of ActionAid International was also based on respect for democracy and diversity. These make our governance resilient and enhance our legitimacy and accountability to our supporters, collaborators and partners and to poor and excluded people in the countries where we work.

We aimed to create a new and enhanced international profile for ActionAid International and a platform that would attract greater attention not only from those we wish to influence but also from other organisations that wish to join us and poor and excluded people in the fight against poverty.

As stated in our Constitution, the purposes of the founding of ActionAid International in 2003 and its conversion to an Association in 2009 were to:

- i. Improve ActionAid International's performance and impact in the fight against poverty and injustice;
- ii. Deepen ActionAid International's legitimacy and accountability to the people, communities and countries where ActionAid International works both in the south and the north;
- iii. Strengthen ActionAid International's profile, voice and influence for bringing about changes in attitudes, policies and practices in favour of poor and excluded people;
- iv. Raise more funds and support for ActionAid International's work from donors, the general public, identified groups and communities as well as from governments and private organisations
- v. Develop and strengthen ActionAid International's Affiliates and Associates as well as partners, coalitions, alliances and networks for effective solidarity linkages and collective action;
- vi. Strengthen ActionAid International's identity, coherence and unity, while respecting diversity, through shared values, vision, mission, strategies, standards and systems;
- vii. Develop and maximise the utilisation of skills, knowledge and capacity of ActionAid International's internal human resources and relationships across various parts of the organisation for increased synergy and reduced wasteful duplication.

2.2 Before ActionAid International

This section provides the historical context of our current organisation.

ActionAid began as a UK charity in 1972, founded by Cecil Jackson-Cole and helping children in India and Kenya. In time, sister organisations were founded in other countries to raise money. ActionAid, and the group of associated charities that had a common origin and bore the name ActionAid (or a foreign language equivalent) inside Europe, formed an umbrella organisation known as the **ActionAid Alliance** in 1999. The Alliance had a co-ordinating office in Brussels that co-ordinated the organisation's policy, advocacy and influencing and fundraising activities within the European Union. The members were as follows:

- **ActionAid** – UK charity with an international Board
- **ActionAid Hellas** - established as a registered charity in Greece.
- **Azione Aiuto** - established as a registered Italian organisation recognised under fiscal and other laws as a Not for Profit Organisation (NPO), recognised by the Ministry for Foreign Affairs and recognised by the President of the Italian Republic as an “Ente Morale”.

All of the above organisations furthered the overall mission of ActionAid through international advocacy, campaigning and involvement in management as well as raising funds from individuals and other organisations in their respective countries.

- **Ayuda en Acción** - established as an independent charity registered in Spain that managed development programmes in Latin America and contributed part of the funds it raised to development programmes in Asia and Africa managed by ActionAid. The Chair of the Ayuda en Acción Board was a member of the ActionAid Board and the Chair of the ActionAid Board was a member of the Ayuda en Acción Board.
- **ActionAid Ireland** - established as an independent charity registered in Ireland. It helped to fund a number of ActionAid's programmes and also supported Ayuda en Acción and Aide et Action. The Chair of ActionAid Ireland Board was an observer at meetings of the ActionAid Board.
- **Aide et Action** - established as an independent charity registered in France. It and ActionAid supported one another when the need arose in regions where they had operations and increasingly collaborated in the field of education.

The Chairs of all of the Boards met annually to review the functioning of the Alliance and to set priorities for the year ahead.

Other organisations related to ActionAid but outside the Alliance were as follows:

- **ActionAid Brazil** - set up as a Brazilian country programme in 1999 and created its own Board while the Country Director continued to report through the Regional Director to the Chief Executive of ActionAid.
- **ActionAid USA** - developed to include a policy, advocacy and influencing office in Washington DC and gained its own Board in 2003.

At the time of the formation of ActionAid International, work was in progress in other countries to develop local assemblies, councils and Boards, both to enhance national impact and governance and with the intention of becoming affiliates later.

2.3 The development of ActionAid International

The process of forming ActionAid International (AAI) is often referred to as “internationalisation” since from the perspective of a European Affiliate it meant becoming part of a more truly international organisation. However from the perspective of ActionAid's country programmes the

process was one of “nationalisation”: a country programme such as that in Ghana gained a Board and a General Assembly to establish national governance, went through a transitional Associate phase and emerged as an Affiliate, Ghana being the first to do so. It thus became an independent, self-governing organisation within a closely-knit federation, equal in governance power to European Affiliates that had been the main original source of funds.

The internationalisation/nationalisation process began in 1999 with the “Taking Stock” review. This was followed by the following phases:

2002-2003	Developed philosophy, consultation with stakeholders, creation of a task force
2003	Negotiations, consensus, consultations, organisational architecture, Memorandum Of Understanding signed, background research, change management plan, putting key structures in place
Dec 2003	AAI registered as a Dutch Foundation, first AAI Board meeting held, ActionAid UK formed as separate entity with separate Board
2004	Organisation restructuring, International Secretariat relocated and transition of functions to Africa; International Secretariat fully functioning by the end of year
Dec 2004	Developed new strategy: a global review led to a new international strategy for 2005-2010: “Rights to End Poverty”
2006-2008	Review of the governance structure
May 2009	Conversion into Dutch Association with 2 tier structure of Assembly and Board
June 2009	First Assembly, election of Chair and Board, first Board meeting

The vision and mission that follow are those established in the 2004 work on the new international strategy and the values, objectives and activities are those described in the Constitution of 2009.

2.4 Vision

Our vision is a world without poverty and injustice in which every person enjoys their right to a life with dignity.

2.5 Mission

Our mission is to work with poor and excluded people to eradicate poverty and injustice.

2.6 Values

ActionAid International and its Members operate by the following core values:

- *Mutual respect* – requiring them to recognise the innate worth of all people and the value of diversity.
- *Equity and justice* – requiring them to work to ensure equal opportunity for everyone, irrespective of race, age, gender, sexual orientation, HIV status, colour, class, ethnicity, disability, location or religion.
- *Honesty and transparency* – being accountable at all levels for the effectiveness of their actions and open in their judgements and communications with others.
- *Solidarity with the poor, powerless and excluded* shall be the only bias in their commitment to the fight against poverty.
- *Courage of conviction* – requiring them to be creative and radical, bold and innovative - without fear of failure - in pursuit of making the greatest possible impact on the causes of poverty.
- *Independence* from any religious or party-political affiliation.

- *Humility* in their presentation and behaviour, recognising that they are part of a wider alliance against poverty.

2.7 Key characteristics

ActionAid International's key characteristics are:

- Taking sides with poor and excluded people and communities.
- Providing support to a global movement against poverty and injustice through linking people across political boundaries- including sponsorship and solidarity links.
- Respect for equity, particularly with regard to gender and diversity.
- Accountability to all stakeholders, particularly to poor and excluded people and communities we work with, and to donors, supporters and volunteers.
- Critical engagement and, where necessary, confrontation with people and institutions that cause poverty, injustice and insecurity.
- Coherence, synergy and unity of our collective action.
- Responsive, effective, efficient, participatory and non-bureaucratic ways of working.
- Active collaboration and partnerships particularly with the diverse range of civil society organisations.
- Rigour and depth of analysis as well as active sharing of learning and knowledge.
- Rights based approach.

2.8 Objectives

ActionAid International's objectives are:

- to eradicate poverty and injustice throughout the world;
- to educate and engage the public concerning the causes, effects and means of eradication of such poverty and injustice;
- to strengthen the capacity and action of poor and excluded peoples' organisations and movements to assert their rights and overcome causes and symptoms of poverty and injustice; and
- such other purposes for the public benefit as the Assembly may determine.

2.9 Activities

ActionAid International's external activities are to:

- operate human rights based anti-poverty programmes
- build and strengthen public constituency and solidarity movements throughout the world
- advocate, influence and campaign throughout the world
- fundraise and accept donations, legacies and bequests from public, private and official sources throughout the world.

2.10 Federation

To implement this mission and objectives, ActionAid has chosen to adopt a federal model of governance and organisation.

ActionAid defines its model of federation as a union comprised of a number of self-governing Affiliates and Associates which are Members united by a central or international (“federal”) structure and by shared values, vision and mission. In the federation, the self-governing status and limits of the Affiliates and Associates are constitutionally entrenched and may not be altered by a unilateral decision of the federal international structure (ActionAid International) or Affiliates or Associates (ActionAid countries).

The federal model involves a form of decentralised organisation, where the Affiliates and Associates possess a degree of autonomy and, in some cases, have existed prior to the formation of the federation (AAI Founding Affiliates and existing organisations that become Associates). ActionAid International as a federation was founded with its base as the original agreement between a number of Affiliates: the AAI Memorandum of Understanding of 2003.

ActionAid believes that the essence of its federal model lies not just in the legal and constitutional dimension but also in the more fluid economic, political, and cultural forces that make federalism necessary.

ActionAid’s model of federal organisation is guided by the following key principles expressed in the Constitution:

- *Accountability:* Combining responsibility with rights so that those who make decisions are also responsible for them.
- *Respecting diversity:* Taking into account national and regional contexts and the individual natures and characteristics of Members.
- *Mutual respect for decision-making at each level:* Allocation of defined responsibilities between the international and national organisations as described in, and guaranteed by, this Constitution and its Regulations, recognising the selfgoverning nature of Members, while respecting the appropriateness of international governance and action where this is in the collective interest.
- *Significant areas of autonomous decision-making at each level of the organisation:* Recognising that the strength and legitimacy of international governance lies in its ability to act decisively according to the needs and interests of the larger organisation, whilst ensuring that decision-making processes lie as closely as possible to those affected by decisions.
- *The principle of subsidiarity:* Ensuring that decision-making power should rest as closely as possible to those it affects, while preventing unilateral decisions that could adversely affect other Members and/or the Association.
- *Checks and balances:* A system of power-sharing through the devolution of authority and rights to Members.
- *One Member per country.*
- *Equality:* Affiliates, whatever their age, size, location or scale of income generation, should have equal powers. Similarly, Associates should also have equal powers amongst themselves.
- *Two levels of governance:* Only two levels of governance apply, national and international, where the international level includes regional structures.

- *Primary strategic unit:* The country unit is the primary strategic unit and national territory and autonomy are respected.

In accordance with the federal nature of AAI, Members (individual national organisations) have a clear mandate, authority and set of responsibilities but also an obligation to observe, accept and comply with the mandate, authority and responsibilities assigned to the international organisation in relation to national territories and supranational and international spaces.

Members give AAI the power to guarantee the identity, unity, security, integrity, growth, development, coherence, effectiveness, efficiency and economic health of the whole of ActionAid, including Members, Country Programmes and the International Secretariat. In this process, Members cede some of their autonomy for the greater, common good of the larger ActionAid.

Three: Structure

This chapter summarises the overall structure of ActionAid, the status and different types of Members and the different roles and relationships of the Assembly, Board, management and Country Programmes. This sets the context for subsequent chapters that deal in more detail with the Assembly, Board, office bearers and Board Committees.

3.1 Difference between governance and management

It is helpful at the start to draw the distinction between “governance” and “management”, based on statutory requirements and good practice in ActionAid and elsewhere. Governance is the process by which an Assembly or Board functions as a unit to direct the organisation while management is the process of implementation, translating governance policy into programmes and services. The following table illustrates this distinction:

Governance	Management
Determine fundamentals of organisation: values, vision, mission, overall strategy	Implement activities based on the fundamentals
Focus on strategy and policy: high level guidance	Interpret the high level guidance in practice
Choose, manage, support, guide and challenge the Chief Executive	Headed by the Chief Executive who chooses, manages, supports, guides and challenges all other staff, directly or indirectly

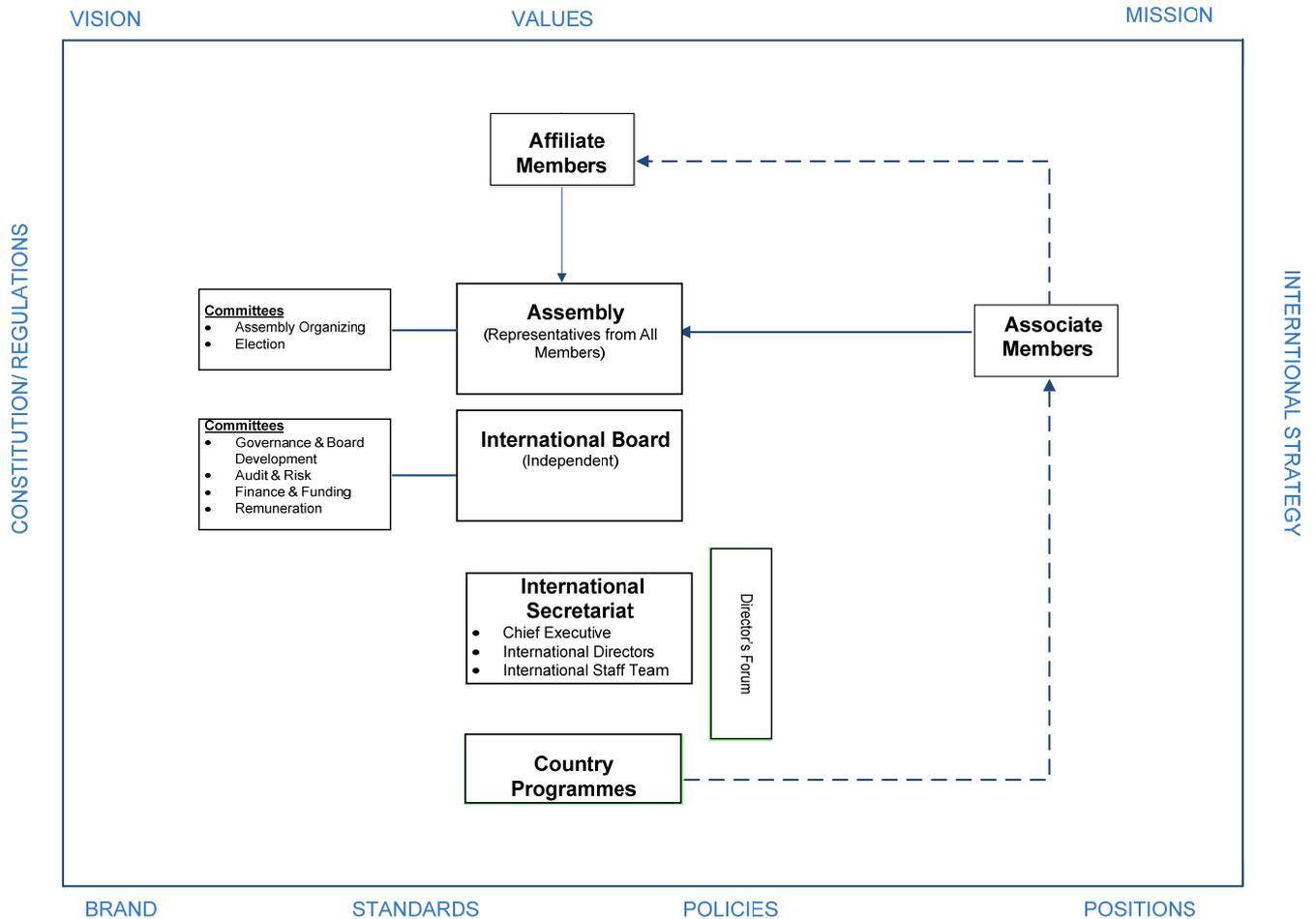
3.2 Overall governance structure

In 2009, ActionAid International changed its registration in the Netherlands to that of an Association. This enabled it to have a membership-based two-tier governance structure consisting of an Assembly and a Board. The Members are Associates and Affiliates, each a legally registered organisation in a different country. The two tier structure was developed after extensive study of options in 2007-2008, including the experience of other organisations. It aims to meet two partly contradictory requirements:

- Democracy, participation and accountability through a governance body that includes one representative from each Member (the Assembly)
- Efficiency and effectiveness through a governance body that meets every few months and is small enough to provide day-to-day governance (the Board)

The following diagram illustrates the new structure and, through the arrows, flows within it as organisations change status.

ActionAid International organisational structure



The **Assembly** is the over-arching governance body of AAI which has overall responsibility for the collective governance of AAI and which is the vehicle for ensuring participation of all Affiliates and Associates in high level decision-making. The Assembly has two Committees:

- Assembly Organising Committee
- Election Committee

The **Board** is responsible for the day-to-day governance of the organisation. The Board has the following Committees:

- Audit and Risk Committee
- Finance and Funding Committee
- Governance and Board Development Committee
- Remuneration Committee

The diagram above illustrates the structure. As illustrated by the words around the edge, a key aspect of the governance structure is the “glue” that holds it all together and ensures coherence.

3.2.1 AAI's glue

The following links, processes and legal and other commitments act as glue to hold AAI together as a federation despite the legal independence of its Members:

- Shared values, vision, mission and international strategy
- Themes and other strategies and policies
- Agreed common positions on key issues
- International programme activities such as campaigns
- Resource Allocation Framework to guide the flow of money within ActionAid
- Shared standards and systems
- Single international brand with agreed local variants, backed by licensing agreements
- Shared Constitution, Membership Regulations and other formal agreements such as Grant Agreements, Sub Grant Agreements or Licence Agreements
- Joint reporting of integrated programme and financial results
- AAI involvement in the appointment of the Country Directors of Members
- An AAI Representative is nominated to be present at the Board of every Member
- Annual Meetings of the AAI Assembly that involve every Member, with representatives reporting back to their national Boards
- Other meetings for Members such as a forum for all Directors and governance meetings for members of national Boards
- Visits by national Board members to the programmes and meetings of other national Boards and Country Programmes to learn and comment, for example added to business trips
- International and regional support for Members and Country Programmes by the International Secretariat
- Movement and secondment of staff between Members and Country Programmes

3.3 Members

ActionAid International is a federation of Members which are legally registered organisations with their own governance and management structures. Members established or later joined ActionAid International and agree to take a full part in the governance of AAI and work on the basis of AAI's values, vision, mission, strategies, standards and systems. No distinction is made between the six founding Members and those that joined later.

3.4 Categories of Membership

The Members of AAI belong to one of the two following categories:

- a) Affiliate
- b) Associate

Associate membership is normally a temporary status for organisations in transition towards full Affiliate membership. It normally lasts about 2-3 years and it is intended that, in time, all Associates will become Affiliates. Associates are of three different types:

- A. Former ActionAid Country Programmes
- B. New organisations created by ActionAid as Country Programmes that are expected promptly to become Associates
- C. Existing organisations outside ActionAid that are considering merging with ActionAid

The following table summarises the differences between Associates and Affiliates:

	Associate	Affiliate
Status	Transitional	Fully independent organisation within the ActionAid federation
Assets	Owned by ActionAid UK, AAI, (in some cases) nationally within framework of agreements with AAI or (in the case of existing organisations outside AAI) otherwise	Owned and managed nationally within framework of agreements with AAI
Rights	<ul style="list-style-type: none"> • One representative at the Assembly • Debate during Assembly • 1 vote in the Assembly • Right to nominate candidates to Assembly structures • Right to propose Motions 	<ul style="list-style-type: none"> • One representative at the Assembly • Debate during Assembly • 2 votes in the Assembly • Right to nominate candidates to the Board from itself or any other source excluding ActionAid staff • Right to nominate candidates to Assembly structures • Right to propose Motions and Special Motions • Right to vote on admittance of Affiliate members • Right to agree on shorter notice for an Assembly meeting
Management	A. Former Country Programmes Country Director with dual accountability to International Secretariat and National Board and gradual handing over from International Secretariat to National Board	Country Director reporting to national Board on the basis of AAI policies, standards and systems while liaising with the International Secretariat
	B. New organisations Country Director with dual accountability to International Secretariat and National Board and gradual handing over from International Secretariat to National Board	Country Director reporting to national Board on the basis of AAI policies, standards and systems while liaising with the International Secretariat
	C. Existing organisations Country Director reporting to national Board on the basis of AAI policies, standards and systems	Country Director reporting to national Board on the basis of AAI policies, standards and systems while liaising with the International Secretariat
Selection and dismissal of Country Director	A. Former Country Programmes National Board in consultation with AAI Chief Executive	National Board in consultation with AAI Chief Executive
	B. New organisations National Board jointly with AAI Chief Executive	National Board in consultation with AAI Chief Executive
	C. Existing organisations National Board jointly with AAI Chief Executive	National Board in consultation with AAI Chief Executive

3.5 Membership criteria

The general statutory criteria for membership of AAI are:

- Active commitment to human rights, justice, equity and the eradication of poverty and exclusion;
- Consistency with the Association's values, vision and mission;
- Legal registration and a satisfactory record of operation;
- Actions consistent with the Association's governance standards;
- A public engagement, constituency or support base;
- Financial and management integrity and capacity;
- Independence, from a management perspective, from any one private individual, company or institution other than the Association and its Members.

3.6 Compliance, disciplinary procedures and termination of Membership

In order to create and sustain a successful AAI membership, Members are mutually accountable in terms of coherence and adherence to the Association's core values, vision, Constitution, mission, strategy, policies, regulations and systems. As provided by the Constitution AAI is responsible for assessing the compliance of Members with the Constitution and Regulations and deciding any disciplinary procedures and the processes for termination of membership and expulsion of Members. This compliance is monitored and reported to the International Board through the Board's Audit and Risk Committee.

3.7 The relationship between the Assembly and the Board

The Assembly elects most members of the Board. The election of Board members is guided by objective analysis of the required Board profile described in chapter 5.

The Assembly delegates the daily governance of AAI to the Board.

Country Programmes are accountable to the International Secretariat. The International Secretariat is accountable to the Board. The Board is accountable to the Assembly. The Assembly is accountable to its Members.

The Assembly is therefore the highest governance authority of ActionAid International.

3.8 Management structure

The **International Secretariat** is ActionAid International's multi-location management structure. It is made up of the following components:

- The **International Office** - ActionAid International's registered principal office situated in South Africa, where the Chief Executive is based.
- **Regional Offices** - located in various continents for representation, management and coordination purposes.
- **Other international offices** – including theme, function, sub-regional, liaison and project offices.
- **Country Programmes** - national level branches of the International Secretariat for the representation, management and coordination of ActionAid International's work in those countries.

3.9 Distinction between Assembly, Board and International Secretariat roles

The descriptions above of the differences between governance and management and between the roles of the Assembly and the Board need to be specified in more detail. The following table attempts to describe these distinctions based on the Constitution and practice to date. It is likely that some details will change and be added as ActionAid learns from experience. The table is intended to cover major different types of topic, not to be comprehensive.

Topic	Assembly Role	Board Role	Management Role
Values, vision, mission	Approve	Recommend to Assembly; oversee compliance	Implement and comply; bring tensions and gaps to Board
International 5 year strategy	Approve	Recommend to Assembly; oversee compliance and review progress	Develop and implement at international and national levels; report to Board
Thematic strategies	Engage and contribute	Approve and review progress	Develop and implement at international and national levels; report to Board
Private sector policy	Engage and contribute	Approve and review progress	Develop and implement at international and national levels; report to Board
International staff pay policy		Approve and review progress	Develop and implement; report to Board
International campaign	Engage and contribute	Approve and review progress	Develop and implement at international and national levels; report to Board
Logo and trademarks	Approve	Propose to Assembly	Develop and implement at international and national levels; report to Board
Public announcements	Fundamental governance changes, advised by management	Major developments eg new international strategy, advised by management; copy to Assembly	Coordinate all; announce other developments or positions; ct Assembly and Board
New cross-border initiative in country X		Note and comment	Approve and implement
New country programme in X	Approve (if long term)	Recommend to Assembly (if long term) or approve (if short term); review progress	Develop proposal and implement once approved

Country programme in X becomes Associate	Approve	Review and recommend to Assembly	Develop plans and proposal including comprehensive due diligence; support once approved
Independent organisation in X becomes Associate	Approve	Review and recommend to Assembly	Develop plans and proposal including comprehensive due diligence; support once approved
Associate in X becomes Affiliate	Approve	Review and recommend to Assembly	Support review and recommendation and support once approved
AAI annual report and accounts	Approve	Oversee preparation and propose to Assembly	Prepare and present to Board
AAI external auditors	Appoint	Propose to Assembly	Develop proposal
Office bearers	Elect Assembly Convener and Chair	Elect Vice Chair and Treasurer	Support election processes
Board members	Elect at least 2/3	Elect up to 1/3; develop guidelines through GBDC	Support election processes
Chief Executive		Appoint, review performance, support, challenge, terminate; advised on pay by Remuneration Committee	
Other senior staff		Advise Chief Executive if requested; help recruit if International Director or if requested	Managed by Chief Executive
Country Directors			Support Chairs of Members in appointing, managing performance and terminating
AAI Representatives as members or observers on national Boards	Approve policy	Approve	Propose in consultation with countries concerned
Whistle blowing	Constitute panel if allegations against Board	Constitute panel if allegations against Chief Executive	Follow Whistle Blowing Policy
Grievances		Constitute panel if grievances against Chief Executive	Follow grievance procedure
Constitution	Approve amendments	Propose amendments through work of GBDC	Support work of GBDC
Membership Regulations	Approve amendments	Propose amendments through work of GBDC	Support work of GBDC
Compliance of Members	Final decisions	Monitor and report to Assembly	Gather monitoring data

Disputes between Members	Final decision on appeal	Resolve unless a Member appeals to Assembly	Resolve or refer to Board
Disputes between Members and Board	Final decision if an Associate appeals against termination of Membership	Resolve. Refer to Assembly only if an Associate appeals against termination of Membership	
Disputes between Members and International Secretariat		Resolve	
Disputes between Board and International Secretariat	Resolve		
Governance Manual		Approve and amend based on work of GBDC	Support work of GBDC
Resource Allocation Framework and long term financial plan	Approve	Use to guide review and approval of annual budgets	Develop and implement
AAI annual plan and budget		Approve and monitor	Develop and propose
Risk management		Regular review, supported by Audit & Risk Committee	Use as guide and assess balance

Four: Assembly

The Assembly is composed of representatives of all Members of AAI. This chapter describes the roles of the Assembly as a whole, individual representatives, the Assembly Convener and Assembly Committees. It also gives guidance on the conduct of meetings and conflicts of interest and duty.

4.1 Powers and functions of the Assembly

The following are the powers and functions of the Assembly, closely based on Article 13 of the Constitution:

:

- a) To approve the Association's values, vision and mission.
- b) To approve the Association's overall direction and strategy.
- c) To approve the Association's logo and trademarks.
- d) To engage in and contribute to the development of organisational policies developed within the framework of the strategy.
- e) To appoint the external auditors.
- f) To approve criteria for membership.
- g) To approve the Association's annual report with audited aggregated accounts at its Annual General Meeting.
- h) To approve the Association's resource allocation framework and long term financial plan.
- i) To approve the Association's governance structures, policies and standards.
- j) To elect the Chair of the International Board.
- k) To elect at least two thirds of the International Board Members.
- l) To make binding decisions in relation to any dispute with and complaint against the International Board.
- m) To discharge International Board members, irrespective of by whom they have been elected.
- n) To elect and remove members of the Assembly's Committees.
- o) To review and approve applications for AAI membership from country programmes or existing organizations and to elevate Associate Members to Affiliate status.
- p) To make binding decisions relating to Members' compliance.
- q) To amend the Constitution and to adopt and amend Regulations.
- r) To approve any expansion of the Association's long term work into countries where the Association is not represented by a Member.
- s) To dissolve, merge, split-off or change the legal identity of the Association.
- t) To ensure accountability to poor and excluded people and communities that the Association and the Members work with.
- u) To ensure accountability to supporters, donors and other stakeholders that the Association and the Members work with.
- v) To review itself.
- w) To guide, supervise and approve reports presented by the International Board.

4.2 Assembly Representatives

Organisations are the Members of the AAI Association and the Assembly is composed of their named representatives, one from each Member.

4.2.1 Individual responsibilities of Assembly representatives

Each representative acts in two capacities, as agreed by the former Board in the development of the present structure:

- A. As a representative of her/his organisation's interest, at times carrying mandates/positions from the organisation and
- B. As a member of the AAI Assembly, responsible for the overall governance of AAI and acting in the best interests of AAI as a whole. B takes precedence over A.

The responsibilities of representatives can be summarised as follows, based on past experience and good practice:

- Playing a full part in enabling the Assembly to carry out all its responsibilities as described in the previous section.
- Attending all Assembly and relevant Committee meetings and, where possible, functions such as special events nearby.
- Being well informed about ActionAid's mission, strategies, policies and programmes.
- Keeping up-to-date on developments in the global struggle against poverty.
- Reviewing agenda and supporting materials prior to ActionAid meetings.
- Serving on Assembly or Board Committees or task forces and offering to take on special assignments as needed.
- Discussing agenda items and motions at a national Board meeting to clarify the position of the Member organisation.
- Sharing the position of the Member organisation at the AAI Assembly meeting.
- Keeping their national Board well informed about developments in ActionAid worldwide, including a full oral or written report after each Assembly meeting.

If in any doubt about these roles, representatives are encouraged to consult the Assembly Convener.

4.2.2 Who can be a representative?

The representative of a Member can be any member of the Member's national Board. It is expected that usually the Chair of the Board will be the representative. A member of the international Board cannot also be a representative so if the representative of an Affiliate or Associate in the Assembly is elected to the international Board, the Affiliate or Associate Board has to nominate a new representative to the Assembly.

4.2.3 Appointment of representatives

Each Member appoints its own named representative from amongst the members of its national Board and informs the Assembly Organising Committee and the Chief Executive.

The representative of each Member is noted in the register of Members. The international Board ensures that the register is divided into two parts, for Affiliate Members and Associate Members, including their names, addresses, representatives and dates of admission to Membership.

4.2.4 Term of office

According to the Constitution, a representative can continue in the Assembly so long as she/he remains on her/his national Board. Continuity in the role of representative is valued, especially as the Assembly normally meets only once a year. She/he remains the representative of the Member

in the Assembly, according to the Constitution, until she/he retires from the national Board or is withdrawn or replaced by the Member, which has the right to appoint, withdraw or replace its representative at any time observing a reasonable notice period. As good practice, the representative should not normally be changed less than a month before an Assembly meeting.

4.3 Assembly Convener

The Assembly Convener is the key facilitator of Assembly meetings and acts in accordance with the Constitution and Regulations for AAI Assembly meetings.

4.3.1 Appointment

The Assembly Convener is elected annually at the Annual General Meeting. She/he holds office from the end of that Annual General Meeting up to the end of the following Annual General Meeting.

The Assembly Convener cannot be a member of the International Board or a member of the staff of ActionAid or any Member organisation. The Assembly Convener can be anyone else, for example the representative of a Member, a former representative or national or international Board member or someone from outside ActionAid provided they meet the criteria listed below.

The process for the election of the Assembly Convener is as follows, based on past experience and good practice:

- The Election Committee with support from the Governance and Board Development Committee provides to all Members the criteria for the Assembly Convener as listed below.
- Candidates are requested to provide:
 - A statement of support by a Member
 - A statement of how the candidate meets the criteria and recognising the commitment involved
 - A brief CV
- A compilation of candidates' statements and brief CVs is provided to Members before the Assembly meeting.
- Each candidate can make an oral statement during the Assembly meeting or can have a statement read on her/his behalf if she/he is unable to attend.
- The counting of votes is open to all Assembly representatives.
- If there is a tie there will be a new election at short notice in a way to be decided by the Assembly Convener, or by another person selected by the Assembly if the current Convener is a candidate. The Assembly Convener is not entitled to a casting vote.

4.3.2 Role

The Assembly Convener conducts all Assembly meetings during her/his term of office as the official chair and key facilitator of the meetings. The role is focused on Assembly meetings as a facilitator rather than wider governance. She/he is responsible for the order and conduct of each meeting in ways that support the objectives and principles of the Assembly including the following:

- Declares the opening and closing of each plenary meeting
- Directs the discussion in plenary sessions
- Ensures the observance of the Assembly's meeting regulations
- Gives the right to speak and put questions
- Announces decisions
- Rules on points of order

- Is responsible for maintenance of order
- Advises representatives on handling potential conflicts of interest or duty
- May propose the suspension and adjournment of a meeting or the debate on the item under discussion

Between meetings the role includes the following, based on past experience and good practice:

- Convenes the Assembly Organising Committee
- Liaises with the convener of the Election Committee
- Liaises with the Chair of the Board and the Chief Executive on the holding of any Extraordinary Assembly Meeting
- Leads the process for the suspension or dismissal of Board members by the Assembly

If the Assembly Convener is not present at an Assembly meeting, the Assembly elects a new Assembly Convener to take office immediately.

4.3.3 Criteria

Candidates for the post of Assembly Convener must satisfy the following criteria:

- Proven experience and skills in facilitating meetings in a complex international context.
- Strong interpersonal skills in a complex international context.
- Strong communication skills in English with skills in other relevant languages an advantage.
- Commitment to the time involved, usually a series of Committee meetings plus at least a week for the Assembly meeting once a year but at times urgent other needs.

4.4 Assembly meetings

The meetings of the Assembly can be one of two types:

- Annual General Meeting
- Extraordinary Assembly Meeting

Key points on the conduct of Assembly meetings are given in the rest of this section. Further details are provided in the “Regulations For AAI Assembly Meetings”. The Assembly Convener decides how best to agree with representatives appropriate norms of behaviour at each meeting.

4.4.1 Annual General Meeting (AGM)

The Annual General Meeting takes place once a year, no later than six months after the end of each financial year; this is a legal requirement.

The first announcement of the date and place of the AGM shall be at least 4 months before the AGM takes place, according to the Constitution.

4.4.2 Extraordinary Assembly Meetings

All meetings other than the Annual General Meeting are Extraordinary Assembly Meetings.

The Constitution enables Members representing at least 10% of the votes exercisable at an Assembly meeting to call for an Extraordinary Assembly Meeting.

4.4.3 Notice

Notice must meet the following requirements, set by the Constitution:

- At least 28 clear days' notice.
- Specification of the place, date and time of the meeting, whether it is an Annual General Meeting or an Extraordinary Assembly Meeting, and the general nature of the business to be transacted.
- If a Special Resolution is to be proposed, the notice includes details.
- The notice is sent to every Member, all International Board members, the Chief Executive and AAI's external auditors.

Shorter notice down to a minimum of one week is possible if agreed by a majority of the Affiliate Members having a right to attend and vote at that meeting.

4.4.4 Motions and resolutions

A motion is a formal proposal from the International Board or a Member (or Members) for the Assembly to consider and decide on. A motion should concern matters within the Assembly's powers. As specified by AAI's Constitution there are two types of Motions:

- Ordinary Motions are Motions that can be passed by a simple majority of votes represented at the Assembly Meeting. Ordinary Motions can be submitted by the International Board or any Member.
- Special Motions are Motions that must be passed by a majority of at least two thirds of the votes represented at the Assembly Meeting. Special Motions can be submitted only by the International Board, or by any Affiliate Member supported by a group of Members representing at least two thirds of the votes exercisable at Assembly Meetings.

Special Motions are required for decisions on the following:

- a) Amendment of the Constitution
- b) Amendment to the logo and trademarks of the Association
- c) Expulsion of an Affiliate Member
- d) Dissolution of the Association
- e) Suspension or discharge of an International Board member
- f) Adoption or amendment of Regulations regarding membership.

Motions are sent to the Assembly Convener and Chief Executive at least three months before the Assembly meeting. Each Motion should be accompanied by an explanatory note clarifying the intent and reasons for the Motion. A Motion can be up to 2 pages long. A motion concerning the work of AAI in a specific country can only be placed on the agenda of the Assembly if it has been discussed previously by the international Board.

A Motion received less than three months before the opening of the Assembly Meeting can be considered as an Emergency Motion if it is such that it could not have been formulated and submitted before the closing date. An Emergency Motion should be accompanied by an explanatory note and supported by at least 40% of the votes exercisable at Assembly Meetings. Any proposed Emergency Motion is submitted to the Assembly Organising Committee, which decides whether or not to include it on the agenda of the Assembly.

Once passed, a Motion becomes a Resolution of the Assembly.

Article 15 of the Constitution describes a process for Written Resolutions which allows the Assembly to pass Resolutions outside Assembly Meetings provided all Members agree.

4.4.5 Quorum

No business shall be transacted at any Assembly Meeting unless the quorum has been reached. The Constitution gives the quorum as representatives of 50% of the total number of Members.

If a quorum is not present within two hours from the time appointed for the meeting, a second meeting has to be convened, observing a term of notice of at least 30 days, at which the Assembly may only consider Ordinary Motions.

4.4.6 Adjournments

The Assembly Convener may, if the Assembly is quorate and agrees, and must, if so directed by the meeting, adjourn the meeting to a new time and place. The only business that can be transacted at an adjourned meeting is the business which would have been transacted at the meeting that was adjourned.

When an Assembly meeting is adjourned for 14 days or more, at least 7 clear days' notice must be given specifying the time, date and place of the adjourned meeting and the general nature of the business to be transacted. It is not necessary to give any such notice for adjournments of less than 14 days.

4.4.7 Attendance

The International Board, the Chief Executive and, by request to the Assembly Convener from the International Board or Chief Executive, any members of the international management team or other staff attend Assembly meetings as non-voting participants.

Other observers may attend the Assembly at the invitation of the International Board and Chief Executive with the consent of the Assembly Convener and may speak at a plenary session at the invitation of the Assembly Convener.

4.4.8 Decision making

A simple majority of the voting power represented at the Assembly Meeting is required to pass an Ordinary Resolution. In the case of a Special Resolution the required majority is at least two-thirds of the votes represented at the Assembly Meeting.

Representatives must be physically present to vote on any Resolution. Since Members are able to vary their representatives, representatives must be present in person and cannot vote through proxies.

The Assembly Convener, supported by the Election Committee, decides on the way in which voting is carried out at an Assembly Meeting, subject only to the requirement that elections are by secret ballot. The result of any vote as announced by the Assembly Convener is decisive.

No objection can be raised to the qualification of any voter in a vote except at the Meeting at which the vote takes place. Every vote is valid unless it is disallowed at the Meeting. Any objection is referred to the Assembly Convener whose decision is final and binding.

4.5 Assembly Committees

At each Annual General Meeting the Assembly elects members of an Assembly Organising Committee to steer plans for the next Assembly. An Election Committee is also elected. The Assembly may also decide at any meeting to establish additional or special Committees or task forces for any purpose within its remit. Details of the Assembly Organising and Election Committees are as follows:

4.5.1 Assembly Organising Committee

The Assembly Organising Committee is convened by the Assembly Convener and includes two representatives and at least one member of the Governance and Board Development Committee, with the Chair of the Board and the Chief Executive as ex officio members. Its role is to plan the agenda and process of the next Annual General Meeting and any Extraordinary Assembly Meetings that take place during its term of office. Annexure 1 presents its terms of reference.

The Committee works in cooperation with and support from the Election Committee and the International Secretariat. The Election Committee Convener works closely with the Assembly Convener to ensure that both Committees are working jointly on the preparation and conduction of the Assembly meeting and elections.

4.5.2 Election Committee

At each AGM, an Election Committee is established to guide elections at the next AGM. It includes two representatives and at least one member of the Governance and Board Development Committee, with the Chief Executive attending its meetings. Annexure 2 presents its terms of reference.

4.6 Activities between Assembly meetings

Unlike the Board, the Assembly does not exist as a body between meetings. However it is very valuable for ActionAid if Assembly representatives are involved in activities beyond their own countries between Assembly meetings to enhance their understanding, to strengthen ActionAid's glue and to share learning. Possible activities include the following:

- Being a member of an Assembly or Board Committee
- Joining the Board of another Associate or Affiliate as the AAI Representative
- Taking part in a peer review process in another country
- Visiting other Associates or Affiliates, for example as an addition to a business trip
- Collaboration on international campaigns

If a representative has a question or comment about ActionAid outside their country they should contact the Chief Executive.

4.7 Conflicts of interest and duty

As members of ActionAid national Boards, Assembly representatives are familiar with the need to take care over potential conflicts between ActionAid's interests and personal interests or responsibilities to other organisations. These conflicts can be of two kinds for representatives:

- A conflict of **interest** - when a member has a material financial or other interest in an Assembly decision or discussion either directly or through another organisation: it is mainly about money.

- A conflict of **duty** - when a member has a duty to another organisation, for example as a director or employee that is related to an Assembly decision, discussion or public stance: it is about split loyalty.

These conflicts are less likely at Assembly level and, unlike the case of a Board, there is no separate Assembly Register of Interests. However constant vigilance over possible conflicts of interest or duty remains essential. Practical guidance on behaviour at Assembly meetings is as follows, based on recommendations by the UK National Council for Voluntary Organisations (NCVO):

- Any representative who has a private interest or duty in a matter under discussion at an Assembly meeting should declare the nature of her/his interest or duty and withdraw from the room, unless she/he has a dispensation to speak.
- If a representative has any other interest or duty which does not create a real danger of bias, but which might reasonably cause others to think it could influence her/his decision, she/he should declare the nature of the interest or duty, but remain in the room, participate in the discussion and vote if the Assembly Convener, in consultation with other representatives present, agrees she/he can do so.
- If in any doubt about these rules, representatives should consult the Assembly Convener.

The table in Annexure 7 offers practical guidance of good practice for Board members, outlining appropriate and inappropriate actions, and may be a helpful guide to representatives also.

A good general test for conflicts of interest or duty is to ask whether ActionAid International's reputation would be damaged if a representative's actions or connection with, for example, a member of staff, a company or a campaigning organisation, were made public.

Five: International Board

This chapter describes the roles of the Board as a whole, individual members, office bearers and Board Committees. It also gives guidance on the behaviour of members, the conduct of elections and meetings and conflicts of interest and duty. The Board, its members and its processes are expected to act as role models for other Boards in ActionAid.

The Board is responsible for the day-to-day governance of the organisation. Board members are elected as individuals and collectively act and govern in the best interests of AAI as a whole. They do not represent a particular organisation or interest.

The Board consists of at least 7 and at most 13 people including the Chair, Vice Chair and Treasurer. The optimum number was agreed by the former Board as 9.

Current members of the Board are listed in Annexure 11.

5.1 Powers and functions of the Board

The following list is closely based on Article 20 of the Constitution:

- a) Oversight of compliance with and progress against the Association's strategies, policies and standards. (Oversight of the International Secretariat includes oversight of the Country Programmes managed by the International Secretariat.)
- b) Ensuring execution of strategies, policies and standards within the strategic framework approved by the Assembly.
- c) Ensuring execution of plans and budgets within the resource allocation framework and long term financial plan approved by the Assembly.
- d) Supervision of preparation of the Association's reports which include audit reports.
- e) Recommendation of the international strategy to the Assembly for approval.
- f) Appointment, performance review and termination of appointment of the Chief Executive.
- g) Approval of the Board Committees' terms of reference and the appointment, renewal and dismissal of their members.
- h) Registration of branch offices of the Association
- i) Provisional approval of expansion into countries in which no Member is registered.
- j) Approval of proposals for organisations to start the process of becoming Associates.
- k) Review of Associates for Affiliate status.
- l) Proposal and drawing up of annual reports and aggregated accounts.
- m) Presentation of annual report to the Assembly for approval.
- n) Presentation of audit reports to the Assembly for approval.
- o) Oversight of the Association's risk assessment and management.
- p) Approval of the Association's representation on the boards of Members.
- q) Approval of amendments to the constitutions of Members that affect their relationship with the Association.
- r) Management of grievances against the Chief Executive.

- s) Monitoring and management of Members' compliance with the Constitution and other Regulations.
- t) Management of complaints against Members.
- u) Appointment of the first members of boards of Associates established to carry on activities of country programmes, except for existing organisations.
- v) Proposal of matters for the Assembly's consideration and approval.
- w) Self review of the Board.
- x) Presentation of the Board's progress report to the Assembly.

5.2 Individual responsibilities of Board members

The responsibilities of Board members consist of **what** they do as opposed to **how** they do it, which is covered by their code of conduct in the following section:

- Play a full part in enabling the Board to carry out all its responsibilities as described in the previous section.
- Attend all Board and relevant Committee meetings and, where possible, functions such as special events nearby.
- Be well informed about the organisation's mission, strategies, policies and programmes.
- Keep up-to-date on developments in the global struggle against poverty and injustice.
- Review agenda and supporting materials prior to Board and Committee meetings.
- Serve on Committees or task forces and offer to take on special assignments.
- Assist in the recruitment and induction of new Board members by the Board.
- Work as a team to ensure the best interests of the organisation as a whole including providing support to the Chief Executive.

If in any doubt about these roles, members should consult the Chair.

5.2.1 Duties of Board members

The duties of Board members can be summarised as follows:

Duty of Care

Act as an ordinary, prudent person would in like circumstances. This requires diligent, attentive, informed participation.

Duty of Loyalty

Act in good faith, in the best interests of the organisation. Put in place procedures and policies that safeguard these interests when a conflict of interest arises; when there is a director on both sides of a transaction; or when a director and the organisation are in competition.

Duty of Compliance

Act to ensure that the organisation operates in keeping with laws and rules governing its formation and status and in accordance with its own mission and bylaws.

5.3 Code of conduct for Board members

Board members are expected to observe the code of conduct provided in Annexure 3 when involved in ActionAid business. The code has been developed by the Board on the basis of experience and Tesse Akpeki's Model Code of Conduct (NCVO Publications, 2004). New Board members sign a copy to show their commitment to the code. If a Board member persistently fails to follow the code, the Chair discusses the matter with her/him before deciding whether further action is needed. Ultimate sanctions are suspension and dismissal.

5.4 Who can be on the Board?

- The Board is composed of members elected by two routes though their status is the same once elected (except only for the means by which they can be suspended or discharged):
 - At least two thirds are elected by the Assembly from candidates nominated by Affiliate members.
 - No more than one third are elected by the Board itself, to ensure that the Board has the necessary balance of gender, expertise, regional representation and other diversity.
- The following cannot be Board members:
 - A current member of staff of any part of ActionAid
 - Anyone under eighteen years old
 - Anyone who has been disqualified as an AAI Board member previously.
- Board members are volunteers and do not directly or indirectly receive any compensation for their position other than a cost allowance for direct expenses incurred in the course of their duties.

5.5 Expertise and balance of Board members

The following guidelines guide the election of Board members to help ensure that the Board will have the required expertise and balance in gender, region, skills etc:

In elections to the Board there is an overarching commitment to seek to include at least two representatives of the primary rights-holders whom ActionAid works with.

Minimum requirements	Other desirable expertise
<ul style="list-style-type: none"> • 40-60 % women (target = 50%) • Two people with financial expertise • Two people with development expertise • One Board member living or working in <i>each</i> of the following regions: Americas, Europe, Africa and Asia-Pacific 	<ul style="list-style-type: none"> • Leadership skills (management, governance and conflict resolution expertise) • HR/OD • General management • Marketing • Resource mobilisation/fundraising • Media/communication • Development: gender, children, economics, education, food, HIV/AIDS, human rights, labour, law/trade unions, civil society.

5.6 Term of office and rotation

There are limits for the length of time a Board member can remain on the Board. The principles governing these limits are as follows:

- There is a need for continual renewal of the Board to bring new perspectives and experience.
- There is also a need for continuity so that the Board steadily builds on past lessons.
- No more than about a third of the Board should retire together to avoid sudden discontinuity.
- Board members should be treated fairly in recognition of the time and commitment that they give unpaid to ActionAid.

ActionAid's rules based on these principles are as follows:

- a) Except for those elected in June 2009, the term of every Board member is three years. Board members are eligible to serve a maximum of two consecutive terms, with the second term subject to re-election.
- b) To be eligible for reappointment thereafter, the member must be off the Board for at least two years.
- c) The retirement and recruitment of Board members is staggered to ensure continuity on the Board. One third of the Board Members elected in June 2009 have a first term of 2 years, one third a first term of 3 years and one third a first term of 4 years. If re-elected, their second term is at most three years in each case. Any member leaving the Board between AGMs counts towards the one third at the subsequent AGM. Those who retire first are those who have been on the Board or the former international Board the longest. If there are members of equal seniority and they do not agree who should retire then the members to retire should be selected from among them by lot. In all cases a June 2009 member retiring after a first term of 2, 3 or 4 years is eligible to stand as a candidate for re-election for a further 3 years.

5.7 Board vacancies

The office of a Board Member falls vacant when the holder:

- a) dies;
- b) is discharged from office by resolution of the Board, if she or he was elected by the Board, or a by Special Resolution of the Assembly, whether elected by the Assembly or the Board;
- c) tenders her or his written resignation;
- d) without good cause fails to attend three consecutive meetings of the Board and the Board resolves that she or he should be removed for this reason;
- e) is reasonably believed by the Board to be suffering from lack of mental capacity and to be incapable of acting, if the Board resolves that she or he should be removed from office;
- f) has been adjudged bankrupt by a competent court of law;
- g) becomes a Representative in the Assembly; or
- h) becomes a member of staff of AAI or of a Member.

In the case of a vacancy in the Board occurring 90 days or less before the next AGM, a replacement is elected in the next AGM. In the case of a vacancy occurring more than 90 days before the next AGM, a replacement is elected by the Board. If such a Board election would result in over one third of Board members having been elected by the Board then the vacancy is held open until an election by the Assembly at the next AGM.

The process for filling the vacancy is based on that described below for Board members elected by the Board.

5.8 The election of Board members

The procedure for election of Board members differs between those elected by the Assembly and those elected by the Board.

5.8.1 Board members elected by the Assembly:

- The Election Committee with support from the Governance and Board Development Committee provides to Affiliates guidelines for elections based on an assessment of the balance of skills, gender, expertise and region on the Board against the requirements described in the table in section 5.5 above.
- The Election Committee appoints an Election Officer to support and advise on the election process at least one month before the Assembly Meeting.
- Affiliates have the right to nominate up to two candidates to run for election.
- The deadline for submission of nominations is three months before the election is held.
- Candidates are requested to provide the following, all subject to length limits:
 - A statement of how she/he matches the guidelines and recognizing the commitment involved
 - A supporting statement by the nominating Affiliate
 - A brief CV in a standardised format
- A compilation of candidates' statements and supporting statements and their brief CVs is provided to Members with the AGM notice, papers and motions two months before the Assembly meeting, accompanied by information from the Election Committee related to the election guidelines.
- Candidates may withdraw no less than 45 days in advance.
- The election process is constrained to ensure gender balance.
- Representatives may vote for themselves if they are candidates.
- The counting of votes is open to all Assembly representatives.
- If there is a tie there will be a new election at short notice in a way to be decided by the Assembly Convener. The Assembly Convener is not entitled to a casting vote.

5.8.2 Board members elected by the Board

The election of Board members by the Board is to ensure the balance of skills, expertise, gender and regional representation or other diversity that the Board requires to perform well. It is also a means of filling vacancies that occur more than 90 days before an AGM.

The process is based on an objective assessment of the skills, expertise, gender and regional representation or other diversity that the Board requires.

The steps for electing Board members include:

- The Governance and Board Development Committee assesses periodically the balance within the Board with respect to the requirements described in the table in section 5.5 above.
- The Board agrees on recruiting another member.
- The Governance and Board Development Committee develops terms of reference and seeks potential members through electronic or executive search.
- The Governance and Board Development Committee submits CVs for review, with a maximum length for each CV.

- A member or preferably members of the Governance and Board Development Committee should interview or have discussions with potential candidates
- After the interviews/discussions, the Governance and Board Development Committee requests references for suitable candidates.
- The Governance and Board Development Committee proposes candidates to the Board for election.

5.9 Induction

The induction process aims to bring new Board members rapidly to the point where they can make an active and well-informed contribution to ActionAid International. Details are given in Annexure 4. In general, the process involves:

- Providing the new Board members with all ActionAid International's relevant documents
- An orientation programme by the International Secretariat
- The identification of a mentor within the Board who, for a defined period, assists the new Board member (see details in Annexure 5)
- Visits to programme locations around the world where ActionAid works.

5.10 Board meetings

The date, location and duration of Board meetings are agreed by the Board on an annual basis.

The quorum is 50% of the total number of Board members,

The Board can hold meetings in which some or all of its members participate by telephone, videoconferencing or other electronic or virtual means provided that all participants can communicate with one another. Those participating in this way count towards the quorum.

5.10.1 Agenda of Board meetings

The Chair, in consultation with the Chief Executive, proposes the agenda for each Board meeting. This is circulated to Board members for comment at least a month before the Board meeting. Any Board member can propose additional agenda items by writing to the Chair. The final agenda is circulated with the necessary Board materials at least two weeks before the Board meeting. The Chair can approve that papers may be sent after the deadline.

Although it is preferable to finalise the agenda two weeks before the meeting, it is acceptable to present an agenda amendment at the Board meeting. Unless agreed otherwise by consensus, the new item is added to the end of the agenda under AOB (Any Other Business) and addressed if time permits. If the new item warrants particular attention earlier in the agenda, this must be agreed by consensus by the Board.

The Board has agreed that no more than 50% of its time in Board meetings should be spent on administrative and statutory activities.

5.10.2 Decision making at Board meetings

Ideally, all decisions should be reached by consensus. Where this is not possible, a vote can be called and a simple majority is required to pass a resolution. The Chair can vote and, in the case of a tie of votes, the Chair has a second, casting vote.

The Board may make a decision outside of meetings provided it is unanimously accepted by each Board member in writing on paper or by e-mail or other electronic means.

Once a decision is made, it is binding on all Board members and must be supported by every Board member unless it is reviewed and rescinded.

5.11 Committees and other engagement by Board members

Board members are encouraged to engage in other Board activities besides attending Board meetings.

Board members perform some of their Board responsibilities through specialist Committees. Each Board member is expected to be part of one Committee as approved by the Board. Chapter 7 presents further details of the work of Committees.

Board members are also invited to join Board-initiated Support Groups and Task Forces. These are often created for a specific purpose and a specific period of time. Currently we have only one such support group called the 'Campaign Support Group' (CSG). They are created based on an interest or need identified by the Board or at the request of management.

5.12 Annual Board review and reflection

Through the annual review and reflection, the Board assesses its own effectiveness as a team and individually in order to:

- develop a shared understanding of and commitment to the expected motivation, role, contribution and accountability of Board members, individually and collectively;
- develop a shared understanding about the most effective way for Board members to influence and impact the organisation in terms of its nature, culture, structure, state of progress, excitements, challenges, etc;
- identify elements to strengthen the Board's governance role;
- get to know each other better as Board members and build a strong team;
- consolidate and document the lessons learnt, challenges and successes of the current Board.

The Board regularly assesses governance performance through Key Performance Indicators (KPIs) that are reported to Board meetings twice a year. The KPIs assess the organisation's health and fitness as well as its progress. KPIs help the Board quickly to identify the location, nature or scale of problems so as to ensure that adequate measures are implemented and steps are taken towards improvement.

Each Board Committee monitors and assesses its own effectiveness every year in parallel to the Board process.

5.13 Conflicts of interest and duty

Board members are chosen partly for their active involvement in other organisations. At times, this can create a conflict between ActionAid International's interests and personal interests or responsibilities to other organisations. These conflicts can be of two kinds:

- A conflict of **interest** - when a member has a material financial or other interest in a Board decision or discussion either directly or through another organisation: it is mainly about money.
- A conflict of **duty** - when a member has a duty to another organisation, for example as a director or employee that is related to a Board decision, discussion or public stance: it is about split loyalty.

Members have an annual duty to record all relevant private interests and duties in ActionAid International's **Register of Interests of Board members** (see Annexure 6). The Register includes the following:

- Board memberships
- Directorships
- Employment or other close relationships with other NGOs, charities, institutions and companies, both non-profit and profit making
- Broad description of financial interests of members or their immediate families that are material in the sense that either the interest exceeds 1 percent of an organisation or the interest exceeds 1 percent of a member's or their family's wealth.

The Register excludes the following:

- Property
- Government savings schemes and holdings in pension funds or trusts under management by a third party
- Membership as a passive supporter rather than a leader or active member of other organisations such as charities or political parties.

The Register serves as an annual reminder of the issue. However, it is of limited value on its own without constant vigilance of possible conflicts of interest or duty. The following provides some practical guidance on **behaviour at Board meetings**, based on recommendations by the UK National Council for Voluntary Organisations (NCVO):

- Any member who has a private interest or duty, as covered by the Register of Interests, in a matter under discussion at a Board meeting, should declare the nature of their interest or duty and withdraw from the room, unless they have a dispensation to speak.
- If a member has any other interest or duty which does not create a real danger of bias, but which might reasonably cause others to think it could influence their decision, they should declare the nature of the interest or duty, but remain in the room, participate in the discussion and vote if the Chair, in consultation with other members present, agrees they can do so.
- If in any doubt about these rules, members should consult the Chair.

The table in Annexure 7 offers practical guidance of good practice, outlining the appropriate and inappropriate actions of an ActionAid Board member.

5.14 Board expenses policy

Annexure 8 provides details of AAI's expenses policy for Board members.

5.15 Suspension and dismissal of Board members

The Assembly may suspend or dismiss any Board member at any time, whichever body last elected them. The Board may suspend or dismiss any Board member who was last elected by the Board. This is the only point on which the Constitution distinguishes between the status of Board members according to who elects them.

The suspension of a Board member means that she/he cannot attend Board meetings or receive Board papers or other communications for a specified period of time. Suspension cannot be for longer than 6 months. The dismissal of a Board member means that she/he leaves the Board with immediate effect.

5.15.1 Grounds for suspension or dismissal

The Assembly (or Board in the case of a Board member who was last elected by the Board) may consider any of the following as grounds for suspension or dismissal, but it is free to ignore any of these grounds and to base its judgement on other grounds:

- Persistent failure to perform one or more of the responsibilities of Board members
- Persistent failure to comply with AAI's governance policies and procedures, including the governance manual and the code of conduct of Board members
- A conflict of duty or interest that presents a temporary or permanent obstacle to participation in substantial parts of the Board's business

As described in the section on Board vacancies, the Board may also dismiss any Board member, whichever body last elected them, who:

- Without good cause fails to attend three consecutive meetings of the Board if the Board resolves that she or he should be dismissed for this reason or
- Is reasonably believed by the Board to be suffering from lack of mental capacity and to be incapable of acting, if the Board resolves that she or he should be dismissed.

5.15.2 Procedure for suspension or dismissal by the Assembly

The procedure for suspension or dismissal by the Assembly follows the normal process for a Special Motion described in section 4.4.4.

The Assembly Convener facilitates the process to ensure that the Board member is presented with the reasons justifying her/his suspension or dismissal and is given a fair chance to present her/his defence. The Board member may be accompanied by a friend or lawyer at their cost.

If the Special Motion is carried, the Board member is immediately suspended or dismissed.

5.15.3 Procedure for suspension or dismissal by the Board

The Board can suspend or dismiss Board members as follows:

- Grounds as described above in the case of a member who was last elected by the Board
- Failure to attend three consecutive Board meetings without good cause (dismissal only)
- Reasonably believed by the Board to be suffering from lack of mental capacity and to be incapable of acting (dismissal only),

The procedure for suspension or dismissal by the Board in these cases is as follows:

- a) The Chair of the Board leads the process.
- b) The Chair informs the Board member in question and gives her/him an opportunity either to refute convincingly the grounds for suspension or dismissal or to resign before the formal process starts.
- c) The Chair, aided by other Board members if she/he wishes, prepares a resolution that specifies the following:
 - a. Name of Board member
 - b. Summary of grounds for seeking suspension or dismissal
 - c. Proposed action: suspension for a specified number of months or dismissal
- d) The Chair seeks Board members to move and second the resolution.
- e) The Chair then immediately sends a copy of the resolution to the Board member in question and specifies:
 - a. The date, time and place of the meeting at which the resolution will be considered.
 - b. The reasons justifying her/his suspension or dismissal.
 - c. The opportunity that the member will have for presenting their defence.
 - d. The right of the member to be accompanied by a friend, doctor or lawyer at their cost.
- f) The Chair also immediately sends a copy of the resolution to all other Board members.
- g) The Board considers the resolution at the next meeting at which a quorum of members is physically present.
- h) At the Board meeting the Chair facilitates a process by which the Board member is presented with the reasons justifying her/his suspension or dismissal and is given a fair chance to present her/his defence.
- i) A vote is taken and requires a majority of those at the meeting.
- j) If the vote is carried, the Board member is immediately suspended or dismissed.

Six: Office Bearers

6.1 Roles of office bearers

The office bearers on the Board are the Chair, Vice Chair and Treasurer. The Chief Executive has the ex officio role of Secretary. In addition to their overall responsibilities as Board members, the office bearers on the Board have specific job requirements as follows:

The Chair:

- serves as ActionAid International's chief volunteer
- provides leadership to the Board, to which the Chief Executive is accountable
- provides guidance to the Board and steers the Board towards achieving its objectives and carrying out its responsibilities
- ensures that the Board contributes as a team by encouraging the optimum participation of all Board members
- regularly engages with each Board member informally to ensure their continued motivation, participation and sense of membership
- chairs meetings of the Board after developing the agenda with the Chief Executive
- encourages the Board's role in strategic planning
- assists the Conveners of Committees
- has the right but not the obligation to serve *ex officio* as Convener of the Governance & Board Development Committee and may attend the meeting of any other Committee when invited.
- guides, supports and where appropriate challenges the Chief Executive, acting as her/his line manager and respecting the governance-management boundary
- discusses issues confronting the organisation with the Chief Executive.
- appraises the Chief Executive with support from other Board members
- performs other responsibilities assigned by the Board
- In her/his absence delegates full responsibility to the Vice Chair

The Vice Chair:

- deputises for the Chair in her/his absence
- works with the Chair and Treasurer to ensure compliance with the Constitution, Regulations and Governance Manual
- may convene a Board Committee as decided by the Chair and Board
- agrees with the Chair other roles and tasks delegated by the Chair depending on her/his interest, time and expertise.

The Treasurer:

- oversees the operation of the financial functions of ActionAid International without detracting from the line responsibility of the Finance Director
- interfaces between Board members and ActionAid International's financial functions, interpreting financial matters as required by Board members
- convenes the Finance & Funding Committee through which she/he coordinates oversight of ActionAid International's income, resource allocation, expenditure and investment
- reviews the products of ActionAid International's finance department (for example, three year plans, budgets, draft statutory accounts etc) which are presented to the Board, as far as possible before they are presented, and agrees them with the Finance Director
- tries to resolve Board members' problems with any financial aspects of ActionAid International's operations

In addition to these office bearers who are Board members, the Chief Executive acts as **the Secretary** of the Board ex officio with the following requirements:

- maintains records of the Board and ensures effective management of the organisation's records
- manages minutes of Board meetings
- ensures minutes are distributed to members shortly after each meeting
- is sufficiently familiar with legal documents (Constitution, articles, by-laws, the legal acts that mandate ActionAid International etc), Regulations and the Governance Manual to note applicability during meetings

It is the responsibility of the Chief Executive to ensure that the functions above are properly covered even if she/he does not perform all of them her/himself.

6.2 Criteria for selection of office bearers

Prospective candidates for each office must fulfil the following criteria at the time of election:

Chair

- A member of the Board.
- Proven experience and skills in chairing meetings in complex international context.
- Exceptional interpersonal skills including sensitivity and communications.
- Demonstrated diligence, integrity and capacity to uphold and make decisions in the interest of the organization.
- Leadership qualities: with the ability of setting clear directions and attracting others.
- Ability to represent and promote the organisation externally
- Accessibility at short notice for advice to Chief Executive.
- Experience in or clear potential for mentoring/coaching/advising a top manager with a very demanding international job.
- Commitment to the time involved.

Vice Chair

The skills, experience and attributes of the Vice Chair should both mirror and complement those of the Chair:

- Already an active Board member.
- Depth of understanding about the larger ActionAid Association, its Members, the International Secretariat and the whole organisation in general.
- Understanding of the responsibilities of the Chair and ability to perform those duties in the Chair's absence.
- Availability and commitment to take on work between meetings.
- Skills and ability to facilitate meetings and groups and build teams.

Treasurer

- A member of the Board.
- Understanding of accounting in depth; preferably a qualified accountant having gained a high level of academic training and professional practical experience.
- Willingness to devote the time required for this commitment on a voluntary basis.

6.3 Election of office bearers

The **Chair** is elected by the Assembly from amongst international Board members. The Chair cannot be a Board member of an AAI Member. The process for the election of a new Chair echoes that for Board members elected by the Assembly as follows:

- The Election Committee with support from the Governance and Board Development Committee provides to all Board members the criteria for the Chair as listed above.
- Candidates are requested to provide the following, both subject to length limits:
 - A statement of how she/he meets the criteria and recognizing the commitment involved
 - A brief CV
- A compilation of candidates' statements and brief CVs is provided to Members before the Assembly meeting.
- Each candidate can make an oral statement during the Assembly meeting or can have a statement read on her/his behalf if she/he is unable to attend.
- The counting of votes is open to all Assembly representatives.
- If there is a tie there will be a new election at short notice in a way to be decided by the Assembly Convener. The Assembly Convener is not entitled to a casting vote.

The **Vice Chair** and the **Treasurer** are elected by the Board. The Board should consider using Single Transferable Voting for an office for which there are more than two candidates, weighing up any costs involved.

6.4 Terms of office

The term for office bearers on the Board is three years commencing on the date of their election to the office. Office bearers are permitted to serve a maximum of two consecutive terms. This limit overrides any limit that would otherwise apply to an office bearer as a Board member provided that the office bearer is re-elected to the Board when necessary.

6.5 Succession planning

The Governance and Board Development Committee is responsible for guiding the Assembly and Board on planning for the succession of office bearers. The principles governing succession planning are as follows:

- There is a need for regular renewal of office bearers to bring new perspectives and experience.
- There is also a need for continuity so that experience is well used.
- The simultaneous retirement of the Chair and either the Vice Chair, the Chief Executive or the Treasurer should be avoided.
- Office bearers should be treated fairly in recognition of the time and commitment that they give unpaid to ActionAid.

Each year in which there are Assembly elections, the Governance and Board Development Committee offers comments on succession planning together with comments on the Board composition in terms of expertise and diversity. The ideal is that there should be at least one, preferably two, potential and willing candidates for the offices of Chair and Treasurer two years before the current office bearer is expected to leave office. This may require election by the Board of potential candidates to supplement those emerging from Assembly elections.

Seven: Board Committees

7.1 Roles of Committees

The main responsibility of Committees of the Board is to support the Board. Committees do not take any decision that is within the statutory role of the Board. A Committee may make interim operational decisions that will lead to a final decision by the Board. The present Committees and their summary roles are as follows:

Audit and Risk Committee as mandated by the Constitution:

- Risks
- Internal and external audit
- Compliance and disclosure (transparency)
- Accountability

Finance and Funding Committee convened by the Treasurer:

- Income
- Resource allocation and expenditure
- Investment.

Governance and Board Development Committee:

- Governance structure, standards, processes
- Board members' election guidelines, recruitment, induction, capacity strengthening
- Association and Affiliation
- Governance reviews.

Remuneration Committee composed of Board Chair and Committee Conveners:

- Staff salary policies and structure
- Cost of living adjustments and terms and conditions of Chief Executive

Full Committee terms of reference are detailed in Annexure 10.

7.2 Appointment of Committee members

Members of Committees are suggested by the Chair for approval by the Board. The Board should satisfy itself that at least one member of each Committee has recent and relevant experience in the Committee's area of focus.

7.3 Co-opted members

To improve their effectiveness, Committees may co-opt people with relevant skills or expertise while keeping in mind financial implications. Co-opted members can also be invited to advise the full Board on a specific area of interest and expertise. At no time can the number of co-opted members in a Committee exceed the number of Board members on the Committee.

A co-opted member is proposed to the Board by the Governance and Board Development Committee in consultation with the relevant Committee Convener.

Sources of co-opted members are:

- Affiliate and Associate Board members and ex-Board members
- Ex- members of the international Board
- Individuals with relevant skills

Co-opted members of Committees operate in the same way as Board members on Committees in informing, discussing and voting.

Co-opted membership of a Committee can be a good way for a potential Board member or officer to learn more about ActionAid's work and become known by ActionAid Board members and staff.

7.4 Conveners of Committees

Conveners of Committees are suggested by the Chair for endorsement by the Board.

7.5 Conduct of Committee meetings

Committee meetings are scheduled to fit the Board's work plan.

Papers and agenda for each Committee meeting are circulated with adequate time for members to prepare for the meeting. In the case of the Audit and Risk Committee, this means at least one week before the meeting.

Any Committee meeting may be conducted, and the quorum satisfied, with some members joining electronically or by teleconference.

The quorum of each Committee is two Board members.

Committees may seek professional advice on matters within their terms of reference. At least one senior member of the International Secretariat attends every Committee meeting.

A member of staff takes minutes at each Committee meeting. All Board members receive copies of the minutes of formal meetings of all Committees.

7.6 Conflicts of interest and duty

Care to avoid conflicts of interest and duty is necessary for Board members in their work on Committees just as much as in their work on the Board.

The guidance to Board members in section 5.13 applies equally to co-opted members of Committees, including the need to complete the Register of Interests every year.

7.7 Annual review and reflection

Through a simple annual review and reflection, each Committee assesses its own effectiveness as a team and individually. This takes place every year in parallel to the Board process so that results can be combined in an overall report to the Board.

Eight: International Secretariat

The following are the powers and functions of the International Secretariat, closely based on Article 30 of the Constitution:

- a) Managing the development and implementation of and compliance with the Association's values, vision, mission, strategies, policies, standards and systems.
- b) Strengthening communication linkages, collaboration and partnership within the Association and between the Association and its Members.
- c) Providing support to Members and Country Programmes for strengthening core capacity.
- d) Strengthening a shared and coherent culture and identity across the Association and its Members.
- e) Seeking, exploring and developing links with potential new Associates.
- f) Managing international or multi-country programmes.
- g) Managing work in a territory where there is no Member.
- h) Managing international advocacy, research, policy development, public education and campaigning.
- i) Developing, strengthening and managing relationships (including partnerships) with international (supra-national) organisations, institutions, alliances, networks and coalitions.
- j) Managing the finances of the Association under the oversight of the Treasurer.
- k) Ensuring accountability, learning, planning, performance and impact monitoring, review and assessment systems are established and operate in line with the values, vision, mission, strategies and policies.
- l) Resolving disputes between Members and as necessary referring cases to the international Board.
- m) Management of the website and other electronic gateways to the Association.
- n) Management of external and internal communications for the Association.
- o) Supporting chairs of Members in the performance management of Country Directors.
- p) Engaging with and providing support to Members' governance structures through strengthening capacity and promoting learning.
- q) Providing support to the international Board and Assembly.

Nine: Dispute Resolution

Conflicts between Members, between Members and the International Secretariat, between Members and the Board and between the Board and the International Secretariat are usually resolved by those concerned between or with assistance from leaders such as the Board Chair, the Chief Executive and Chairs of national Boards. If conflicts cannot be resolved in this way, they are referred for resolution as follows in accordance with Article 11 of the Membership Regulations:

- Between Members → Refer to Board → Refer to Assembly
- Between Members and International Secretariat → Refer to Board
- Between Members and the Board → Final decision by the Board → Refer to Assembly only in the case of an appeal against termination of Associate Membership in accordance with Article 11 of Constitution
- Between the Board and International Secretariat → Refer to Assembly

In all cases, either party to a dispute may request external arbitration. Further details are given in the following sections.

Conflicts within management are resolved by management processes without reference to the Board or Assembly. The exception is whistle blowing or grievance processes that concern the Chief Executive, in which case the Chair of the Board establishes a Board process such as an ad hoc Board Committee to investigate the matter.

Disputes requiring the processes described in this chapter should be rare. Most issues that may emerge are matters of policy and practice that are better resolved through informal discussions and the formal process of moving and discussing Motions at Assembly meetings.

9.1 General principles of dispute resolution

Disputes within ActionAid should be resolved in accordance with the following principles:

- Damage to the mission and poor and excluded people is minimised.
- Disputes are conducted courteously in accordance with ActionAid's values and federal principles.
- All parties in a dispute are given a fair hearing.
- If one party considers there is a dispute then there is a dispute.
- Presentations and documents are clear, brief and focused on the dispute.
- The basis for conducting disputes is the full set of relevant documents including the Constitution, Membership Regulations, other Agreements and this Governance Manual.
- Costs of time and money are minimised.
- Risks to ActionAid's reputation are minimised, observing strict confidentiality where necessary.
- The Chair makes final and binding decisions on the process of dispute resolution at Board level. The Assembly Convener makes final and binding decisions on the process of dispute resolution at Assembly level.
- Referral to external arbitration is the only alternative to resolution internally.

9.2 Board processes of dispute resolution

The process for taking a dispute to the Board is as follows:

- a) One of the parties makes a written submission to the Chair of the Board with a formal request for resolution of the dispute. The request includes:
 - a. Summary of the dispute
 - b. Statement of which parties are involved
 - c. The context of the dispute
 - d. The party's position
 - e. The party's proposed solution, linked to ActionAid's mission and valuesIf the Board itself initiates the process, the Board creates a similar submission.
- b) The Chair decides whether to conduct the process her/himself or whether to establish a Taskforce on the issue. The Taskforce may be chaired by the Chair or by another Board member. Members of the Taskforce are Board members and, if necessary, a small number of other people with relevant expertise. The Taskforce should be small and reasonably balanced in gender and other qualities.
- c) Within 14 days of receiving (or writing) such as submission, the Board/Taskforce Chair copies the submission to all other named parties and requests them to send written submissions that include the following within a further 14 days:
 - a. The party's position/reply
 - b. Any changes to the summary of the dispute
 - c. Any changes to which parties are involved
 - d. The party's proposed solution, linked to ActionAid's mission and values
- d) The Board/Taskforce Chair contacts any additional parties named, seeking written submissions in the same format.
- e) Once all written submissions have been received, the Board/Taskforce Chair arranges for copies of all the submissions to be sent to:
 - a. All parties that have made submissions
 - b. All Board members
 - c. All members of the Taskforce, if any
- f) The Board/Taskforce Chair specifies a date on which the Board, advised by the Taskforce if any, will consider the dispute in a hearing. The hearing should normally be planned as part of the next Board meeting. If the Board Chair considers it necessary, a special meeting of the Board may be convened for the hearing, no less than 14 days after all written submissions have been circulated as in step e) above.
- g) The Board and/or the Taskforce, if any, may seek professional legal or other advice at any point, including during the hearing.
- h) The Chair, or in her/his unavoidable absence the Vice Chair, chairs the hearing and determines its process.
- i) In cases where an appeal to the Assembly is permitted, the appeal must be made within 7 days of the end of the hearing.

9.3 Assembly processes of dispute resolution

The process for taking a dispute to the Assembly is similar as follows:

- a) One of the parties makes a written submission to the Assembly Convener with a formal request for resolution of the dispute. The request includes:
 - a. Summary of the dispute
 - b. Statement of which parties are involved
 - c. The context of the dispute
 - d. The party's position
 - e. The party's proposed solution, linked to ActionAid's mission and values

- b) The Assembly Convener establishes an Assembly Taskforce on the issue. The Taskforce may be chaired by the Assembly Convener or by the Assembly representative of a Member. Members of the Taskforce are Assembly representatives and a small number of other people with relevant expertise. The Taskforce should be small and reasonably balanced in gender and other qualities.
- c) Within 14 days of the establishment of the Taskforce, the Taskforce Chair copies the submission to all other named parties and requests them to send written submissions that include the following within a further 14 days:
 - a. The party's position
 - b. Any changes to the summary of the dispute
 - c. Any changes to which parties are involved
 - d. The party's proposed solution, linked to ActionAid's mission and values
- d) The Taskforce Chair contacts any additional parties named, seeking written submissions in the same format.
- e) Once all written submissions have been received, the Taskforce Chair arranges for copies of all the submissions to be sent to:
 - a. All parties that have made submissions
 - b. All members of the Taskforce
- f) The Taskforce Chair specifies a date on which the Taskforce will consider the dispute in a hearing. The hearing could come just before the next Assembly meeting to minimise costs.
- g) The Taskforce may seek professional legal or other advice at any point, including during the hearing.
- h) The Taskforce Chair, or in her/his unavoidable absence an alternative elected by the Taskforce, chairs the hearing and determines its process.
- i) If all parties accept the result of the hearing, the process ends with a record of the outcome including consequent actions and any lessons learned.
- j) If one or more of the parties do not accept the result of the hearing they may appeal within seven days. The full Assembly then hears the issue, through a process to be decided by the Assembly Convener, advised by the Taskforce Chair. If the Assembly Convener considers it necessary, a special meeting of the Assembly may be convened for the second hearing, no less than two months after the appeal.

9.4 External processes of dispute resolution

Either party in a dispute may request that the dispute should be referred to external arbitration. As described in the Membership Regulations, section 11.6, in such a case:

- a) The dispute is finally settled in accordance with the Arbitration Rules of the Netherlands Arbitration Institute. The procedure is conducted in English.
- b) Upon agreeing for arbitration, the parties forfeit all other internal resolution processes.
- c) The decision of the arbitrator is deemed final and binding on the parties.

ANNEXURES

ANNEXURE 1

TERMS OF REFERENCE - ASSEMBLY ORGANISING COMMITTEE

Purpose

The role of the Assembly Organising Committee is to ensure efficient preparation for and conduct of Assembly meetings in accordance with AAI's Constitution, Regulations and Governance Manual. In the event of conflict, those documents have priority over these Terms of Reference.

Membership

- The Committee shall be made up of the Assembly Convener, two Assembly representatives and at least one member of the Governance & Board Development Committee
- The Chair of the Board and the Chief Executive will be ex officio members of the Committee.
- The Committee will have the option of co-opting up to two members.
- It is recommended that the Committee should include the representative, or another Board member, of the Member hosting the next AGM.

Term

The term of office of a committee member runs from the end of one Annual General Meeting (AGM) to the end of the next AGM.

Quorum

The quorum necessary for the transaction of business shall be two [2] members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee. Only members of the committee shall constitute a quorum.

Responsibilities

- Update and propose amendments to the regulations for AAI Assembly meetings and other guidelines to guide the organisation and conduct of the Assembly;
- Receive and register nominations for Associates' and Affiliates' representatives at the Assembly;
- Receive, decide on acceptance of and inform Assembly members and participants about motions in accordance with guidelines;
- Decide on the agenda, sessions, session facilitators/chairs and preparations for the overall Assembly meeting in accordance with guidelines;
- Support the Convener to conduct the Assembly meeting in line with guidelines and standards;
- Communicate with Assembly members and participants – including sending them resolutions;
- Recommend to the Convener to sign-off the minutes and proceedings of the Assembly;
- Review the Assembly and the work of the committee for any process and other lessons for future Assemblies and the next Assembly Organising Committee and write a short report with recommendations;
- Prepare Extraordinary Assembly Meetings when called in line with the Constitution;
- Handover to the next Assembly Convener.

The Committee will work in cooperation with and support from the current International Board, Governance & Board Development Committee, Election Committee and International Secretariat. The Election Committee Convener will work closely with the Assembly Convener.

Frequency of Meetings

The frequency with which the Committee needs to meet will vary and may change from time to time. In view of the geographically dispersed membership, most of the meetings will take place electronically or telephonically.

Confidentiality

All information and material of any nature whatsoever acquired or prepared by or for the Committee not in the public domain pursuant to this appointment shall, both during and following the duration of Committee, be confidential.

Members may not use any data or information obtained as a result of their membership of the Committee for their personal benefit or gain.

TERMS OF REFERENCE - ELECTION COMMITTEE

Purpose

The Election Committee is responsible for managing election processes in accordance with AAI's Constitution, Regulations and Governance Manual. In the event of conflict, those documents have priority over these Terms of Reference.

The Committee is charged to oversee issues related to the following elections:

- a) Chair of the International Board;
- b) Members of the International Board elected by the Assembly;
- c) Convener of the following Annual General Meeting (AGM);
- d) Members of the Assembly Organising Committee; and
- e) Members of the Election Committee.

Membership

- The Committee comprises two Assembly representatives and at least one member of the Governance & Board Development Committee
- The Convener of the Committee is elected by the Committee members from among themselves.
- The Committee has the option of co-opting up to two additional members.
- The Chief Executive also attends the meetings of the Committee to ensure management support.
- In advance of an AGM, the Committee appoints a professional Election Officer to support the processes of election until the end of the AGM.
- For the purposes of these Terms of Reference, a member shall not run for election and must be free of any business or other relationship which could materially interfere with the exercise of their independent judgment, subject to appropriate disclosure, as the case may be.

Term

The term of office of Committee members runs from the end of one AGM to the end of the next AGM.

Quorum

The quorum necessary for the transaction of business shall be two [2] members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee. Only members of the Committee shall constitute a quorum.

Responsibilities

- Determine, oversee and manage all aspects of election processes at Assembly meetings including statement of needs, nomination of candidates, withdrawal of candidates, voting, declaration of results and any other guidelines of conduct and operations related to election.
- Appoint a professional Election Officer.
- Work with the Governance & Board Development Committee in developing guidelines for the nomination of candidates for the International Board to be elected by the Assembly.
- Support the Assembly Convener in issuing a request for nominations to the posts of International Board Chair, International Board member and future Assembly Convener.

- Officially share with Affiliates' national boards the election guidelines prepared by the Election Committee and Governance & Board Development Committee.
- Meet as soon as possible after the deadline for the receipt of nominations in order to prepare the election process including the sharing with Members of the names and supporting details of candidates.
- Decide on the eligibility of candidates.
- Officially announce the lists of candidates who have been nominated and subsequently announce any withdrawals.
- Ensure that voting papers and ballot boxes are available.
- Count the votes and announce the results.
- Review the election and the work of the Committee for any process and other lessons for future elections and the next Assembly's Election Committee and write a short report with recommendations.

The Election Committee Convener works closely with the Assembly Convener to ensure that the Election and Assembly Organising Committees are working jointly on the preparation and conduct of the Assembly meeting and elections.

Election Disputes

Members may appeal to the Assembly against a decision of the Committee concerning eligibility or the results of an election. This appeal must be made immediately after the announcement of a decision by the Committee or Election Officer at an Assembly meeting. The Assembly Convener decides the process corresponding to the appeal.

Frequency of Meetings

The frequency with which the Committee needs to meet will vary and may change from time to time. In view of the geographically dispersed membership most of such meetings are likely to be through electronic or telephonic means.

Confidentiality

All information and material of any nature whatsoever acquired or prepared by or for the Committee not in the public domain pursuant to this appointment shall, both during and following the duration of Committee, be confidential.

Members may not use any data or information obtained as a result of their membership of the Committee for their personal benefit or gain.

CODE OF CONDUCT FOR BOARD MEMBERS

The code is expressed as a commitment by each Board member as an expression of shared responsibility. It attempts to focus on principles and minimum standards.

As a member of the Board of ActionAid International I will:

Mission and policies

- Support AAI's mission and consider myself its guardian.
- Abide by AAI's Constitution, Regulations and policies including the Governance Manual.

Conflicts of interest and duty

- Strive to act in the best interests of the organisation.
- Update the conflict of interest and duty register annually.
- Declare any conflict of interest or duty as soon as it arises.

During a Board meeting

- Attend the meeting well prepared.
- Follow the guidance of the Chair who leads the Board and is in charge of the process and timing of the meeting.
- Speak briefly and politely.
- Speak with appropriate speed and use of language, bearing in mind that for some of those present English is a second or third language.
- Focus on the Board's governance role with respect for the complementary role of management led by the Chief Executive.
- Strive to serve the larger and common interest of ActionAid International as a whole rather than any one part of the organisation.
- Attend the full meeting if reasonably possible.

Board members and staff

- Observe the confidentiality of Board discussions in talking with non-Board members, for example who said what.
- Respect the Chief Executive as the manager of other staff.
- Treat the Chief Executive as the normal route for contacting staff on a new issue.
- Treat the Chair as the primary route for communication, act sensitively if not communicating to the Chair alone and keep the Chair copied in.
- Maintain a clear distinction between working with staff in a governance capacity with Board authority, for example in a Committee, and working with staff as a volunteer adviser, where a member of staff is in charge and I am helping them. I understand that such work is outside the Board role and means that I must then respond to the needs and requests of management. In such a case, therefore, I work as a 'volunteer consultant' with the power of interest, knowledge and skills rather than any statutory power of the Board.
- Refrain from making special requests of staff such as favours or introductions.

E-mails

- Respond as promptly as possible to e-mails from other Board members and staff even if only to say that I have noted the point or that I will give a fuller reply later.
- Be careful about whom I copy e-mails to.
- Keep e-mails as short as possible, bearing in mind those for whom reading English is hard work, those downloading e-mails through expensive, limited or unreliable connections and those who read e-mails from portable devices.

External communication

- Strive to uphold the integrity of the organisation.
- When speaking as a Board member, reflect current organisational positions and policies even when I do not agree with them.
- Respect organisational, Board and individual confidentiality.
- Seek prior permission before adopting an ActionAid public position, for example in a speech or an article.

Enhance governance

- Participate as much as possible in induction, training and development activities for Board members.
- Continually seek to improve the Board's governance practices.

General points

- Commit the time reasonably needed to fulfil my role to the best of my ability.
- Treat decisions made at Board meetings as shared Board decisions. Whatever the debate that preceded the decision, I understand that all Board members are committed to the decision once made and communicate with one voice to all stakeholders. The only alternative is to resign unless truly new information emerges that makes a new discussion necessary.
- Remember at all times, even outside an ActionAid context, that others may be viewing me as a representative of ActionAid and its values.
- Be courteous to ActionAid beneficiaries, staff, partners and donors.
- Expect to speak and act on all matters of Board responsibility, including financial issues.

INDUCTION OF NEW BOARD MEMBERS

The purpose of induction is to bring new Board members rapidly to the point where they can make an active and well-informed contribution to ActionAid.

A4.1. Responsibility

Prompt and effective induction of new Board members is the shared responsibility of the Chair (to ensure it happens), the Governance & Board Development Committee (to design and develop the process and facilitate finding a mentor) and the Chief Executive (to ensure materials and other support are delivered).

A4.2 Key documents

Key documents to welcome new Board members form a Welcome Aboard Kit:

When a new member joins the Board, she/he should receive a "Welcome Aboard Kit" as soon as possible. The Kit includes the following:

1. Welcome letter signed by the Chair and Chief Executive
2. Governance Manual
3. Board Work Plan
4. Board meeting minutes for the last three meetings
5. Other governing documents such as Constitution and Membership Regulations
6. International Strategy
7. Glossary of acronyms and jargon frequently used within ActionAid
8. Current budget (including summary of our current sources of finance)
9. Brief biographies of all Board members with addresses, phone numbers and e-mail addresses
10. Organogram and key contacts for the International Secretariat

A4.3 Initial discussion with Chair

In addition to receiving her/his "Welcome Aboard Kit", a new Board member should be contacted by the Chair to discuss the following:

1. Personal welcome.
2. Possibility of having a mentor and choice of person (see Annexure 5).
3. Early opportunities for face-to-face contact with ActionAid International, for example visiting Board members, senior staff, offices and, above all, programme activities.
4. Possible membership of a Board Committee.

As a minimum expectation, a new Board member should have the chance to meet the Chair and/or other Board and/or staff contacts shortly before her/his first Board meeting.

A4.4 Induction topics

Within three months of joining the Board, orientation should be provided in the following areas:

- History of ActionAid: Board members should understand where ActionAid is coming from and reasons why things are as they are today; lessons learnt etc.
- Board roles and responsibilities and accountability requirements: Clarity on individual and collective Board roles and responsibilities; specifically Board accountability and liability especially statutory and stakeholder accountability.
- ActionAid programmes: Observation of/participation in programme activities, presentation through video or slides on ActionAid's work, written information.
- Finance: Financial policies, procedures and reporting; ActionAid's sources of finance; presentation by the Finance Director and Treasurer on budgets, audits etc.
- Strategic direction/approach to work: Induction on the international strategy of AAI and ActionAid's strategic approach to work, specifically the Rights Based Approach and ALPS.
- Governance structure: Roles and relationships between Assembly, Board, Committees and Members; Country Programmes, Associates and Affiliates.
- Organisation structure: Orientation on the organisation structure and Board interactions with management (rules of Board-staff engagement).
- Board operation: Governance Manual, Committees and Task Forces (explore individual interest in participation), Board policies, code of conduct.

A4.5 Visit to ActionAid programmes

A new Board member, especially one who is new to ActionAid, should visit an ActionAid programme for at least 3 days in the South within 6 months of joining the Board. It is well established that this is the only way to understand the value, impact and meaning of what ActionAid does. Plans for such a visit should form part of the initial discussion with the Chair, followed up by the Chief Executive and staff.

A4.6 Links with Local ActionAid Programmes and Offices

Every Board member should establish links with the nearest ActionAid office for the following purposes:

- To keep informed about and support local activities
- To support links between the office and the rest of ActionAid
- For practical purposes such as the payment of per diems

MENTORING NEW MEMBERS OF THE ACTIONAID INTERNATIONAL BOARD

1. The **purpose** of mentoring (in this case) is to enable a new member of the international Board or a person attending a Board meeting to be fully informed and briefed so they can fully participate in Board meetings as quickly as possible. Measures of success include the number of meetings and/or months it takes for the new person to feel comfortable, to feel fully included and to gain the satisfaction of knowing that they are making a difference.
2. Mentoring is a **personal relationship** so:
 - a. It only works if both people want it and invest in it.
 - b. It is voluntary on both sides.
 - c. The content of discussions is confidential.
 - d. Details of how it works are personal and unique to the particular people involved.
 - e. An early face to face meeting is essential.
 - f. A different mentor may emerge from the one that others (eg the Governance & Board Development Committee) suggest.
3. The recommended initial **duration** of the mentoring relationship is six months, given the quarterly frequency of Board meetings, though this can be modified by mutual agreement. In contrast to the more normal permanent career mentoring role, this mentoring relationship is short-term, after which the two people will subsequently work alongside one another as colleagues. For this reason, some organisations prefer the term “buddy” for the more temporary role. A substantially longer duration of up to a further six months is possible by mutual agreement. This needs to be communicated to the Chair of the Board.
4. **Choice** of mentor:
 - a. It may be helpful if the mentor and Board member being mentored have some similarity of expertise as common ground eg shared experience as an academic or shared functional competence in finance.
 - b. It is essential for both parties to share a language they are comfortable with.
 - c. Living reasonably close (same continent and/or similar time zone) is helpful for phone calls and occasional meetings.
 - d. As this is a personal relationship, characters matter.
 - e. Age matters to some people. For instance, some find it harder working with a younger mentor.
5. The **content** of mentoring is whatever the two people decide to discuss. It could include:
 - a. Personalities and expertise on the Board
 - b. How best to influence the Board
 - c. How to handle Board papers
 - d. Current major ActionAid opportunities, issues or concerns
 - e. The meaning of the international strategy, ALPS, Rights-Based Approach, internationalisation...
 - f. Key documents to read
 - g. Whom to talk to about particular detailed issues
 - h. Which Committee to seek to join
 - i. How best to interact with other Board members between meetings
 - j. How to claim expenses and what can and cannot be claimed
 - k. How best to relate to any local ActionAid organisation
6. The **means of communication** is up to those involved. Face to face meetings will often not be practical after the initial meeting and outside Board meetings. Therefore phone calls and e-mails are likely to be the main means – with frequency and length varying.

7. **Reporting:** ideally the new person and the mentor should write a short summary of their experience together and any lessons learned to give to the Chair and the Governance & Board Development Committee towards the end of the mentoring relationship.
8. The **role of the Governance & Board Development Committee** is as follows:
 - Matching mentors to new people and making the introduction
 - Offering some light touch guidance through notes such as those above
 - Making clear that any reasonable costs of mentoring will be borne by AAI: international phone calls and, in some cases, short journeys for face to face meetings

REGISTER OF INTERESTS OF BOARD MEMBERS**Template**

Name: _____ Date: _____

Interests exceeding 1 percent of an organisation or exceeding 1 percent of a Board member's or their family's wealth:

Other memberships on Boards:

Other material interests, duties and memberships:

_____**Note: the following need not be declared in the Register:**

- Details of interests such as value or number of shares
- Ownership of property
- Investments in government savings schemes
- Holdings in pension funds or trusts under management by a third party
- Membership as a passive supporter rather than a leader or active member of other organisations such as charities or political parties

CONFLICTS OF INTEREST AND DUTY: ILLUSTRATION OF GOOD PRACTICE

The following table suggests appropriate behaviour and good practice for an ActionAid Board member who is employed by, or is a director of, a **profit making organisation Z**. The table covers the general principles rather than every specific situation. In most cases, the same guidance applies if ActionAid and Z are interchanged or if Z is a non-profit making organisation.

Appropriate	Not Appropriate
Take part in Board discussions on the balance of investments to be held in equities (if Z is a public limited company)	Offer opinions on investing in Z
Pass on information in Z about ActionAid projects seeking support	Take part in any discussion in ActionAid or Z about Z giving money to ActionAid
Suggest people in Z that people in ActionAid might find helpful to contact	Influence Z colleagues to give preference to ActionAid projects or proposals
Suggest ActionAid staff as possible speakers at a Z event	Take part in consideration of ActionAid staff to act as consultants for Z
Refer ActionAid staff to sources of information about Z	Seek to recruit ActionAid staff to work in Z
Mention ActionAid Board membership in biographical details of Z managers, eg on the Web	Imply Z support for ActionAid or ActionAid support for Z
Speak about one's role as an ActionAid Board member in a Z internal conference on social responsibility	Cite ActionAid Board membership in public as evidence of Z's social responsibility
Describe ActionAid's public position on issues as agreed by the Board	Describe Board debates or divisions of opinion that preceded agreement on public positions on issues

A good general test for conflicts of interest or duty is to ask whether ActionAid International's reputation would be damaged if a member's connection with, for example, a member of staff, a company or a campaigning organisation, were made public.

BOARD EXPENSES POLICY

A8.1 Objective

The primary objective of this policy is to ensure that Board members are not out of pocket as a consequence of attending to AAI business. This policy applies only to AAI Board members and individuals undertaking AAI work at the request of the AAI Board. The policy is not intended to cover national Boards within the AAI family.

A8.2 Expense Reimbursement Policy..... what it is not

At the outset it is important to state what this policy is not. It does not contemplate the payment of fees to Board members for work they do for AAI. Nor does it seek to compensate Board members for loss of earnings arising from time spent on AAI business.

A8.3 The Policy Principles

Board members are to be reimbursed for monies expended by them in carrying out AAI business. In formulating the policy cognisance has been taken of existing expenses policy for AAI staff and the principles on which that policy is based, namely that expenses are to be kept to a minimum but not to the point of causing undue inconvenience to Board members. It is recognised that the welfare and safety of Board members is paramount.

A8.4 Per Diem or Daily Subsistence Allowance

To minimise the administrative cost to AAI in processing expense claims and to reduce the necessity for Board members of having to keep receipts for telephone, taxis, food, tips, bus fares etc a per diem amount is paid to cover all expenses other than air fares, accommodation, visa and medical expenses. Again in the interest of simplicity one rate is paid irrespective of geographical location.

The full per diem figure is € 50 per day. A rate of € 25 per day is paid if all meals are supplied by ActionAid.

Board members receive the per diem in advance of travel from the ActionAid office in the country where they are based. Where such an office does not exist the country hosting the meeting makes arrangements for the per diem to be paid on arrival.

Board members choose whether they wish to receive the per diem. If a Board member does not wish to receive a per diem she/he should tell the office that would pay the per diem.

A8.5 Air Travel

Action Aid will pay economy class air fares using reputable air carriers taking the most direct route to the destination. Where there are special reasons, especially health reasons, for doing so, business class travel will be permitted on approval by the Chair.

A8.6 Accommodation

AAI will reimburse Board members for the cost of accommodation at hotels of a standard of up to three stars. Board members should have hotel bookings which allow for immediate check in.

A8.7 Visa and Medical

Outlay for visas and for medical shots, malaria tablets etc directly related to AAI travel will be reimbursed in advance of travel through the same office as for per diems. AAI will also carry general insurance, including Directors and Officers Liability and medical insurance related to AAI business.

A8.8 Alcohol

AAI will not reimburse expenditure for alcohol.

A8.9 Approvals

Staff designated by the Chief Executive will approve Board members' expenses that are in line with this policy, contacting the Chair if there seems to be a problem.

OUTLINE OF THE ACTIONAID INTERNATIONAL CONSTITUTION

Details under “Notes” indicate main content if that is not clear from the title and refer to relevant parts of the AAI Governance Manual (“GM”).

Article No.	Title	Notes
	Conversion	From Foundation to Association
	Prologue	Reasons for founding AAI and converting to Association including GM 2.2
	<i>ARTICLES</i>	
1	Name and Place of Registration	
2	Federation	Federal principles as in GM 2.10
3	Values	GM 2.6
4	Objects of the Association	GM 2.8
5	Definitions	
6	Means	How AAI can achieve its objects including GM 2.9
7	Resources	Where AAI’s money can come from
8	Members	Parts of GM 3.2 to 3.4 including types of Member, appointment of representatives
9	Criteria for membership	GM 3.5
10	Maintenance of membership	Scope for additional membership requirements through Membership Regulations
11	Termination of Membership	How membership can be ended and circumstances in which it must end
12	Official Organs of the Association	Assembly, Board and International Secretariat
13	The Assembly	Powers and functions as in GM 4.1
14	The Assembly Convener	Part of GM 4.3
15	Assembly Meetings	GM 4.4 including notice, quorum, adjournment, voting and written resolutions
16	Motions	GM 4.4.4: Ordinary, Special and Emergency Motions
17	Special Resolutions	GM 4.4.4: subjects requiring Special Resolutions
18	Minutes	Minutes of Assembly meetings
19	Assembly Committees	Scope to establish Assembly Organising and Election Committees and their regulations

20	International Board	Powers and functions as in GM 5.1, size, Governance Manual
21	International Board Election Procedures	Parts of GM 5.4 to 5.7: sources, eligibility, gender balance, term and circumstances in which Board membership ends:
22	International Board Officers	Chair, Vice Chair, Treasurer and terms of office
23	Suspension and Discharge of International Board Members	Parts of GM 5.15
24	International Board Meetings	GM 5.10: conduct of meetings
25	International Board Committees	Scope for Committees of which one must focus on Audit and Risk; members
26	Conflict of Interest	Parts of GM 5.13
27	Remuneration	None other than direct expenses
28	Irregularities	Limits impact of accidental irregularities
29	Representation	The Board represents AAI
30	International Secretariat	Role of Chief Executive; functions and responsibilities as in GM 8
31	Financial Year and Accounts	Includes Board's annual report to Assembly, accounts and auditors
32	Amendments to the Constitution	Amendments by Special Resolution
33	Notice and Service	Communication of official documents
34	Dissolution	Conditions and how assets are treated
35	Dispute Resolution	Process to be in Regulations
36	Regulations	Scope for Regulations
	End of Deed	Includes 2009 transitional details such as: <ul style="list-style-type: none"> • First Members • Temporary International Board • Members of first Assembly Committees and Audit and Risk Committee • Staggering of terms of first Board members as in GM 5.6

ACTIONAID'S INTERNATIONAL BOARD COMMITTEES

Terms of Reference for the Governance and Board Development Committee (GBDC)

1. Role

The main role of the Governance and Board Development Committee is to assist the Board in:

- 1.1 developing and reviewing AAI governance structures, standards and policies to be proposed for the Assembly's approval.
- 1.2 ensuring Board effectiveness.
- 1.3 supporting the election and induction of Board members.
- 1.4 organising biennial governance reviews.
- 1.5 organising annual Board review and reflection.
- 1.6 supporting capacity strengthening of Members in governance matters.
- 1.7 reviewing Country Programmes and new organisations for admission to Membership.

2. Duties

- 2.1 Governance structures, standards and policies:
 - 2.1.1 Review international governance structures, standards and policies and continually provide proposals/recommendations to improve them.
 - 2.1.2 Be the custodian of the effectiveness of the Board and of the International Governance Manual and other international governance documents.
 - 2.1.3 Monitor AAI and Members' governance standards and recommend required action or support plans to ensure compliance to governance standards.
- 2.2 International Board effectiveness:
 - 2.2.1 Lead the Board in regularly reviewing and understanding its roles and areas of responsibility.
 - 2.2.2 Lead the Board in regularly reviewing the expectations and roles of individual Board members.
 - 2.2.3 Ensure the regular review of AAI's Constitution, Regulations, agreements and Governance Manual and assist the Board in complying with them.
 - 2.2.4 Assist the Board in developing its work plan and agenda.
 - 2.2.5 Provide ongoing counsel to the Board Chair and the Board on steps that could be taken to enhance Board effectiveness.
 - 2.2.6 Regularly review the Board's practices regarding conflict of interest, confidentiality etc, and suggest improvements as needed.
 - 2.2.7 Propose Board development plans.
 - 2.2.8 Organise Board team and capacity building processes and events.
 - 2.2.9 Organise retreats.
- 2.3 Election of Board members by the Assembly and the International Board and induction of new members:
 - 2.3.1 Propose the ideal Board composition in terms of expertise and diversity to inform Board elections.
 - 2.3.2 Support the Assembly in developing guidelines for nomination of candidates for the Board.

- 2.3.3 Support the Board in electing Board members to ensure regional, skills and other balance as per article 21.2 of the AAI Constitution.
- 2.3.4 For candidates to be elected by the Board:
 - 2.3.4.1 Develop a recruitment plan.
 - 2.3.4.2 Compile and continually add to a pool of potential candidates.
 - 2.3.4.3 Cultivate the interest of potential Board members.
 - 2.3.4.4 Screen and meet candidates.
 - 2.3.4.5 Recommend candidates to the full Board.
- 2.3.5 Inform, orient and involve new Board members.
- 2.4 Organise governance reviews:
 - 2.4.1 Organise externally facilitated biennial reviews of international governance in order to:
 - 2.4.1.1 assess compliance of Assembly, Board and Committees with AAI values, policies, strategies, regulations and Constitution.
 - 2.4.1.2 identify risks.
 - 2.4.1.3 consolidate and document the lessons learnt, challenges and successes of the current Board.
 - 2.4.1.4 bring in new knowledge and capacity and
 - 2.4.1.5 improve the governance structures, standards and policies.
 - 2.4.2 Engage Audit and Risk Committee in the process of developing the review framework.
 - 2.4.3 Recommend consultants for governance reviews.
 - 2.4.4 Manage and support the process of governance reviews.
 - 2.4.5 Publish governance review reports.
 - 2.4.6 Monitor the implementation of governance review recommendations.
- 2.5 Organise annual Board review and reflection:
 - 2.5.1 Organise annual Board assess its own effectiveness as a team and individually:
 - 2.5.1.1 develop a shared understanding of and commitment to the expected motivation, role, contribution and accountability of Board members, individually and collectively;
 - 2.5.1.2 develop a shared understanding about the most effective way for Board members to influence and impact the organisation in terms of its nature, culture, structure, state of progress, excitements, challenges, etc;
 - 2.5.1.3 identify elements to strengthen the Board's governance role;
 - 2.5.1.4 get to know each other better as Board members and build a strong team;
 - 2.5.1.5 consolidate and document the lessons learnt, challenges and successes of the current Board;
 - 2.5.2 review and reflection in order to:
 - 2.5.2.1 Establish terms of reference;
 - 2.5.2.2 Recommend consultant(s);
 - 2.5.2.3 Manage and support the process;
 - 2.5.2.4 Monitor the implementation of recommendations;
- 2.6 Review Country Programmes and new organisations for Membership:
 - 2.6.1 Review proposals put forward by management for Membership;
 - 2.6.2 Lead the process of reviews for Association and Affiliation;
 - 2.6.3 Recommend new Members to the full Board for recommendation to the Assembly.

3 Members

- 3.1 Up to 6 regular standing members. The Convenor with approval of the Board can suggest a higher number of members for the Committee based on skills and expertise required.
- 3.2 Convenor is selected by the Board from among the Board members.
- 3.3 The Board Chair is an ex officio member and may or may not convene the Committee.
- 3.4 A minimum of two Board members including the Convenor.
- 3.5 Other members from Associate and Affiliate Boards approved by the Board at the recommendation of the Convenor.
- 3.6 Maximum of one member from outside AAI* (*AAI includes Associate and Affiliate governance structures) approved by the Board at the recommendation of the Convenor.

4 Staff attendance and other participants

- 4.1 The Chief Executive as the Secretary to the Committee.
- 4.2 ID for Organisation and Governance Development.
- 4.3 Staff member appointed by the Chief Executive in consultation with Convenor for administrative support.
- 4.4 Other staff can be invited by the Convenor in consultation with the Secretary for part or all of meetings for specific purposes and agenda items.

5 Voting rights and quorum

All members have voting rights and are counted towards the quorum. The quorum is 3 members of whom at least one should be an AAI Board member.

6. Authority and decision making powers

The Committee shall not take any decision that is within the statutory role of the International Board. The Committee may make interim operational decisions that will lead to a final decision by the International Board.

The Committee shall make recommendations to Board members prior to every Board meeting.

7. Meetings

As required, 3-4 times a year, 2-3 weeks before each of the Board meetings, largely by teleconference but including at least one face to face meeting. Work will also be conducted electronically.

8. Accountability

As a Board Committee, this Committee, via its Convenor, is primarily responsible and accountable to the Board which in turn is accountable to AAI's Assembly.

9. Reporting

The Secretary will circulate the minutes of meetings to all members of the Board and to the Secretaries of the equivalent Committees of the Boards of members of AAI after approval by the Convenor.

Terms of Reference for the Audit and Risk Committee

1. Role

- 1.1 The main role of the Audit and Risk Committee is to assist the Board in:
 - 1.1.1 Providing oversight on risk management and, internal and external audit of the organisation
 - 1.1.2 Monitoring compliance with statutory requirements and AAI policies
 - 1.1.3 Ensuring accountability, including accountability to the poor and excluded.

2. Duties

- 2.1 To ensure that risks are identified, assessed appropriately and managed effectively through:
 - 2.1.1 Review of the risk assessment methodology and annual assessment
 - 2.1.2 Review of the risk register twice yearly and propose amendments for Board approval
 - 2.1.3 Review of risk management policies and approach
 - 2.1.4 Review and recommending to the Board statements concerning risk management, for inclusion in the Annual Report
- 2.2 To have oversight of internal audit policies, reports and recommendations
 - 2.2.1 Approve internal audit policies and plans and review adequacy of internal audit resources
 - 2.2.2 Review Internal Audit Activity Reports
 - 2.2.3 Review progress against audit plans and approve any significant deviations from plans
 - 2.2.4 Review internal audit reports, recommendations and follow-ups
 - 2.2.5 Review and monitor performance of the internal audit department
- 2.3 To review the overall financial control environment in the organisation and ensure that management has adequate and appropriate control policies, processes, mechanisms and practices in place
 - 2.3.1 Review internal controls
 - 2.3.2 Assess adequacy of controls in ensuring protection of reputation, safeguarding of assets and the continuation of on-going operations
- 2.4 Review whistle blowing, complaints and grievance procedures and follow up
- 2.5 To oversee the planning, conduct and reporting on the external audit
 - 2.5.1 Discuss and agree the external audit plan with external auditors
 - 2.5.2 Review the draft annual aggregated financial statements and external auditors' Audit Committee Memorandum and Management reports, focussing particularly on:
 - 2.5.2.1 any changes to accounting policy and practices
 - 2.5.2.2 any major points of concern and/or major adjustments arising from the annual audit
 - 2.5.2.3 the going concern assumption
 - 2.5.2.4 compliance with Dutch company law and any laws governing Dutch associations
 - 2.5.2.5 compliance as appropriate with international accounting standards
 - 2.5.2.6 comparing published financial data of other international NGOs, with a view to maintaining best practice

- 2.5.3 Discuss matters arising from the external audit with the external auditors in the absence of management representatives
 - 2.5.4 Ensure that there is no relevant audit information of which the external auditors are unaware and that all steps have been taken to ensure that all relevant information has been provided to the auditors
 - 2.5.5 Recommend External Auditor to the Assembly and approve the remuneration and engagement of the Auditor
- 2.6 To review/assess compliance with statutory requirements, AAI values, policies, strategies, regulations and Constitution across the organisation
- 2.6.1 Review mechanisms in place to assure compliance with statutory requirements globally
 - 2.6.2 Review mechanisms in place to assure compliance with AAI strategy and standards by all parts of the organisation
 - 2.6.3 Monitor compliance with AAI standards and steps taken to address non-compliance
 - 2.6.4 Liaise with Audit Committees of Members including annual communication (annual letter) with the Associate and Affiliate Board chairs and audit committee convenors concerning their audit, risks and compliance progress and issues
 - 2.6.5 To review, as necessary, the audited accounts, audit reports, management letters and equivalents of Country Programmes and Members
 - 2.6.6 Report on compliance by all parts of the organisation to the Board and Assembly and taking the lead in advising the Board/Assembly on actions to be taken (jointly with other committees)
- 2.7 To monitor and address HROD risks both at a staff and leadership level. This will include amongst other issues:
- 2.7.1 Staff safety and security (duty of care/legal responsibility)
 - 2.7.2 Remuneration and benefits (internal/external equity)
 - 2.7.3 Grievance cases (including harassment)
 - 2.7.4 Organisational climate (retention/reputational risks)
 - 2.7.5 Leadership issues (transitions/successions/behaviour)
- 2.8 To be the guardian of Alps principles and policies:
- 2.8.1 Review AAI overall Alps system, and input to monitoring framework and system and propose amendments to the Board
 - 2.8.2 To review processes and reports of the International Secretariat for sign off by the Board
- 2.9 To monitor AAI compliance to external accountability commitments e.g IANGO charter.
- 3. Members**
- 3.1 Up to 6 regular standing members
 - 3.2 Convenor is selected by the Board from among the Board members
 - 3.3 A minimum of two Board members including the Convenor and a member of the AAI Board who also sits on the Finance and Fundraising Committee
 - 3.4 Other members from Associate and Affiliate Boards approved by the Board at the recommendation of the Convenor
 - 3.5 The AAI Board Chair is an ex-officio member of the Committee.
 - 3.6 Maximum of one member from outside AAI* (*AAI includes Associate and Affiliate governance structure) approved by the Board at the recommendation of the Convenor

4. Staff attendance and other participants

- 4.1 The Head of Internal Audit as the Secretary to the Committee.
- 4.2 Chief Executive
- 4.3 Organisational Development and Governance Director (as per agenda)
- 4.4 Finance Director (as per agenda)
- 4.5 Staff member appointed by the Secretary in consultation with Convenor for administrative support
- 4.6 Other staff can be invited by the Convenor in consultation with the Secretary for part or all of meetings for specific purposes and agenda items.
- 4.7 Invited members/participants, particularly key risk owners, at the discretion of the Convenor for specific purpose and agenda

5. Voting rights and quorum

All members have voting rights and are counted towards the quorum. The quorum is 3 members of whom at least one should be a Board member.

10. Authority and Decision making powers

The Committees shall not take any decision that is within the statutory role of the International Board.

The Committee may make interim operational decisions that will lead to a final decision by the International Board and decisions about performing its role within its Terms of Reference.

The Committee is authorised by the Board to investigate any activity within its Terms of Reference and any other matters requested by the Board or Executive.

11. Meetings

As required, 3-4 times a year, 2-3 weeks before each of the Board meetings, where possible by teleconference and including at least one meeting with external auditors (jointly with Finance and Funding Committee). Work will also be conducted electronically.

12. Accountability

As a Board Committee, this Committee is primarily responsible and accountable to the Board, via its Convenor, which in turn accounts to AAI's General Assembly.

13. Reporting

The Secretary will circulate the minutes of meetings to all members of the Board and to the Secretaries of the equivalent Committees of the Boards of members of AAI, after approval by the Convenor.

Terms of Reference for the Finance and Funding Committee

1. Role

The function of the Committee is to assist the Board in overseeing AAI's financial and funding performance, strategies and policies.

2. Duties

- 2.1 Financial and funding policies:
 - 2.1.1 Ensure that policies are in accordance with good practice.
- 2.2 Financial management and performance:
 - 2.2.1 Review and recommend to the Board the Finance Strategic Plan for AAI and monitor performance against it.
 - 2.2.2 Review and comment on the financial performance elements of the 3-year plan and budget.
 - 2.2.3 Monitor performance by reference to quarterly management accounts.
 - 2.2.4 Review financial KPIs.
 - 2.2.5 Review and monitor financial trends within the organisation and the sector within which it operates.
 - 2.2.6 Review and advise the Board and management in relation to any significant transactions that are not part of the regular activities of the organisation.
 - 2.2.7 The Committee may elect to examine any financial issue that it considers to be critical to the organisation.
- 2.3 Treasury and investment management:
 - 2.3.1 Monitor and review treasury management performance.
 - 2.3.2 Review, and recommend changes to the Board on AAI's investment policy and its ethical investment policy.
 - 2.3.3 Recommend to the Board the appointment (and/or removal) of one or more firms of investment managers for the investment portfolio.
 - 2.3.4 Report annually to the Board on the performance of the investment portfolio.
- 2.4 Funding management and performance:
 - 2.4.1 Review and recommend to the Board the Fundraising Strategic Plan for AAI and monitor performance against it.
 - 2.4.2 Review and comment on the funding performance elements of the 3-year plan and budget.
 - 2.4.3 Monitor performance by reference to quarterly management accounts.
 - 2.4.4 Review funding KPIs.
 - 2.4.5 Review fundraising investment plans and performance to ensure an appropriate balance of return and growth.
 - 2.4.5.1 Including reviewing analysis of cost trends per € raised for ActionAid and comparisons with other NGOs.
 - 2.4.5.2 Review restricted and unrestricted returns.
 - 2.4.6 Review and advise the Board and management in relation to any significant transactions that are not part of the regular activities of the organisation.
 - 2.4.7 The Committee may elect to examine any funding issue that it considers to be critical to the organisation.
- 2.5 Resource Allocation Framework:
 - 2.5.1 Review the Resource Allocation Framework to ensure that it allocates funding appropriately.
 - 2.5.2 Monitor the application of the Resource Allocation Framework.

2.6 External audit:

Support the Audit and Risk Committee¹ to:

- 2.6.1 Review the draft annual aggregated financial statements and external auditors' Audit and Management reports, and recommend to the Board, if appropriate, their approval.
- 2.6.2 Recommend the appointment of External Auditors to the Assembly and approve the remuneration and engagement of the Auditor.

2.7 Members of AAI:

- 2.7.1 Engage, through their Convenors, with the equivalent committees of the Boards of AAI Members with a view to sharing highlights of the Committee's deliberations.

3. Members

- 3.1 Up to 6 regular standing members.
- 3.2 Convenor is selected by the Board from among the Board members.
- 3.3 A minimum of two Board members including the Convenor.
- 3.4 Other members from Associate and Affiliate Boards approved by the Board at the recommendation of the Convenor.
- 3.5 Maximum of one member from outside AAI* (*AAI includes Associate and Affiliate governance structure) approved by the Board at the recommendation of the Convenor.
- 3.6 AAI Board Chair as an ex-officio member of the Committee.

4 Staff attendance and other participants

- 4.1 International Finance Director as the Secretary to the Committee
- 4.2 International Fundraising Director.
- 4.3 The Chief Executive should attend from time to time or as required by the Committee.

5 Voting rights and quorum

All members have voting rights and are counted towards the quorum. The quorum is 3 members of whom at least one member should be an AAI Board member.

6 Authority and Decision making powers:

The Committees shall not take any decision that is within the statutory role of the International Board.

The Committee may make interim operational decisions that will lead to a final decision by the Board.

The Committee is authorised by the Board to investigate any activity within its Terms of Reference.

The Committee is authorised by the Board to approve annual reports, or other similar documents of branches of AAI and to report such approvals to regulatory authorities as required.

The Committee is authorised by the Board to approve any new, or changes to existing, AAI bank mandates.

The Committee may seek outside expert advice.

¹ The Audit and Risk Committee has the primary responsibility on external audits.

7 Meetings

As required, 3-4 times a year, 2-3 weeks before each of the Board meetings, including at least one joint meeting with the Audit and Risk Committee. Telephone and videoconference meetings are permitted and work will also be conducted electronically.

8 Accountability

As a Board Committee, this Committee is primarily responsible and accountable to the Board, via its Convenor, which in turn accounts to AAI's General Assembly.

9 Reporting

The Secretary will circulate the minutes of the meetings to all members of the Board and to the secretaries of the equivalent committees of the boards of members of AAI, after approval by the Convenor.

Terms of Reference for the Remuneration Committee

1. Role

The function of the committee is to support the Board on issues related to remuneration.

2. Duties:

- 2.2 Propose remuneration for the CE at the start of the appointment to be approved by the full Board.
- 2.3 Receive Chairperson's annual appraisal of CE performance
- 2.4 Recommend progression on the approved salary scale annually for cost of living and step increases for the CE to be approved by the Chairperson of AAI Board
- 2.5 Agree the principles of the pay system for management and staff. The decisions on the management pay system will remain with management.
- 2.6 Propose implementation recommendations arising from periodic remuneration and benefits reviews to the AAI Board
- 2.7 Sign off the Annual Staffing Plans and monitor significant risks in attraction and retention of staff and/or deviations in practice which could impact cost increase or present organisational risk.
- 2.8 Monitoring of exceptional staff remuneration payments (gratuity and separation)

3. Members

- Conveners of GBDC, Audit and Risk, Finance and Funding and the Chair of the Board as the Convener of this Committee.

4. Staff attendance and other participants

- International OD/HR Director as the Secretary to the committee
- Other staff can be invited by the Convenor in consultation with the Secretary for the part or whole of the meetings for specific purpose and agenda
- Invited members/participants at the discretion of the Convenor for specific purpose and agenda

5. Voting rights and quorum

All members have voting rights and are counted as quorum. The minimum quorum is 2 members.

6. Authority and Decision making powers

The Committees shall not take any decision that is within the statutory role of the International Board.

The Committee may make interim operational decisions that will lead to a final decision by the International Board.

The Committees shall make recommendation to the Board members.

7. Meetings

Twice a year by teleconference/face to face. Most of the work will also be conducted electronically.

8. Accountability

As a Board committee, this committee is primarily responsible and accountable to the Board, via its Convenor, which in turn accounts to AAI's General Assembly.

9. Reporting

The secretary will circulate the minutes of the meetings to all members of the Board and to the secretaries of the equivalent committees of the boards of members of AAI, after approval by the Convenor.

**CURRENT ACTIONAID INTERNATIONAL BOARD MEMBERS
(October 2010)**

Names/ Nationality

Ms Karen Brown (Vice Chair), UK
Mr Poguri Chennaiah, India
Mr Patrick Dowling (Treasurer), Ireland
Mr Cândido Grzybowski, Brazil
Ms Nyaradzayi Gumbonzvanda, Zimbabwe
Ms Alexandra Mitsotaki, Greece
Ms Irene Ovonji-Odida (Chair), Uganda
Mr Matteo Passini, Italy
Ms Sriprapha Petchamesree, Thailand

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