

WaterAid Trustees' Manual



WaterAid Trustees' Manual November 2011

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A4: Board of Trustees background paper

WaterAid's vision is of a world where everyone has access to safe water and sanitation.

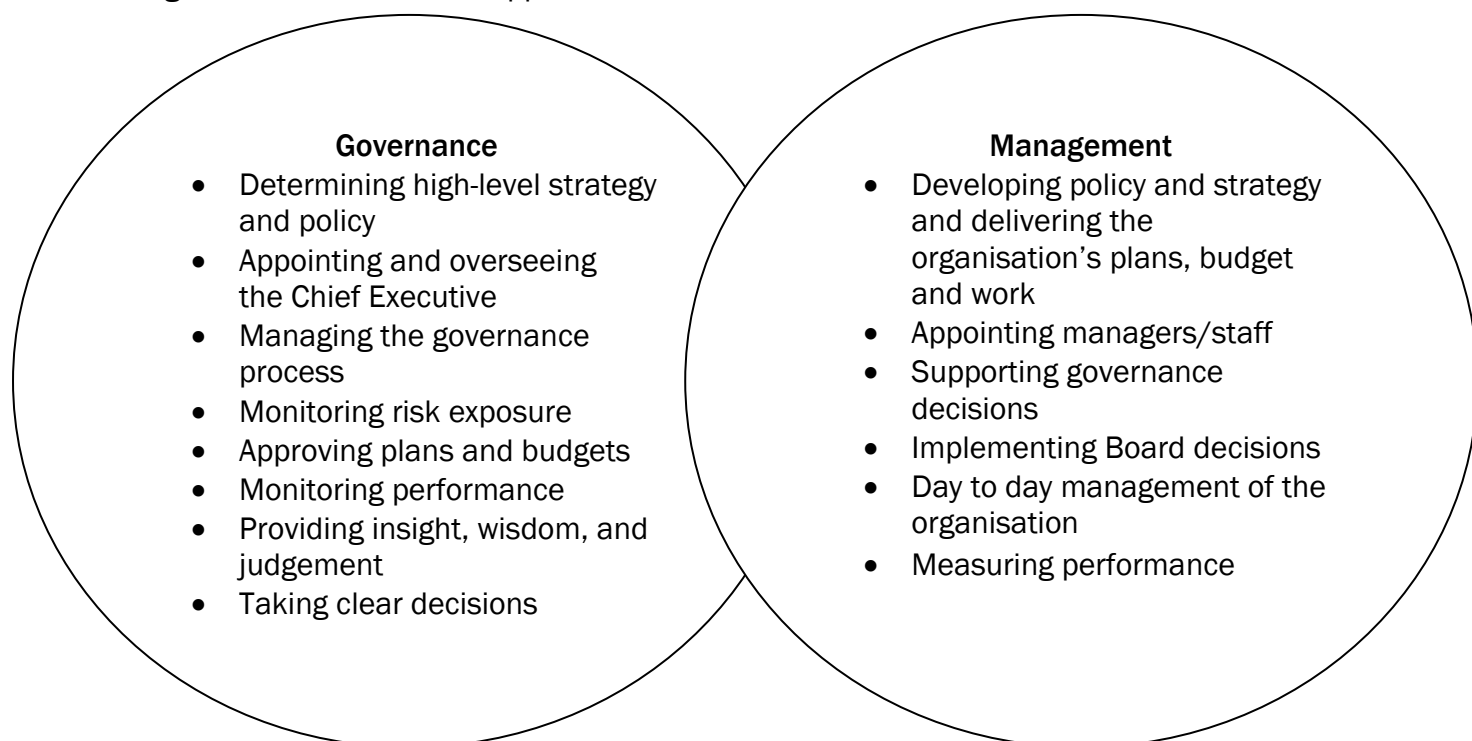
WaterAid transforms lives by improving access to safe water, hygiene and sanitation in the world's poorest communities. We work with partners and influence decision-makers to maximize our impact.

1. Background

WaterAid is an international development organisation working in the poorest countries in Africa, Asia and the Pacific region in association with WaterAid in America, WaterAid in Australia and WaterAid in Sweden. WaterAid works with local partners – community based organisations, non governmental organisations (NGOs), private sector organisations and governments – especially local government.

In the UK WaterAid's legal status is as a UK company, limited by guarantee and registered as a charity with the Charity Commission for England and Wales and with the Office of the Scottish Charity Regulator. The legal responsibility of the Board of Trustees is as laid out by the Charity Commission. WaterAid country programmes are normally registered as non governmental organisations in the countries in which they operate.

The role of the WaterAid Board of Trustees is to govern the organisation and provide overall policy direction to achieve its aims in the most efficient and effective manner, consistent with the organisation's values and approach.



Trustees are ultimately responsible under the Memorandum of Association for the management and administration of the charity. However the Charity Commission guidance recognises that because of the scale of work undertaken by a charity such as WaterAid,

decision-making on management is delegated to the Chief Executive and through them to the employees.

WaterAid has a written delegation of authority to the Chief Executive. Decisions on strategic matters should be properly agreed with and reported to Trustees and clear lines of accountability maintained.

Trustees remain responsible for ensuring the organisation has a clear shared vision and aims, that effective strategies are in place to achieve this and that management are carrying out the tasks which have been delegated to them efficiently.

As detailed in the Global strategy 2009-2015, WaterAid's four aims are:

1. To promote and secure poor people's rights and access to safe water, improved hygiene and sanitation.
2. To support governments and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation.
3. To advocate for the essential role of safe water, improved hygiene and sanitation in human development.
4. To further develop as an effective global organization recognized as a leader in our field and for living our values.

If Trustees act prudently, lawfully and in accordance with their governing document then any liabilities they incur as Trustees can be met out of the charity's resources. This responsibility applies collectively (jointly and severally). Hence particular care needs to be applied when entering into substantial contracts or financial commitments. WaterAid indemnifies its Trustees and officers up to a limit of £5 million against personal liability to third parties arising from acts properly undertaken in the administration of the charity.

This document should be read in conjunction with the WaterAid Trustees code of conduct and WaterAid's Global strategy - documents that provide a fuller background to our work and expectations of Trustees.

2. Size and membership of the Board

The Memorandum of Association states that the minimum number of Trustees is nine and the maximum is 18. In 2005 the Board agreed that the Board will be limited to 12 members plus the potential for two members to be elected from WaterAid America and Australia.

Trustees are normally appointed for a three-year term and are normally eligible for appointment for up to six years.

However exceptions may be made to extend this period for a maximum of three additional years if this is necessary to maintain scarce skills and experience on the Board.

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

3. Composition of the Board

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

Commitment to the work of WaterAid is vital and the following are taken into account when considering the composition of the Board:

1. Commitment to the work of WaterAid
2. Expertise
3. A diverse mix of skills and personal attributes
4. Reputation

3.1 Commitment

Trustees need to be wholeheartedly committed to WaterAid's vision and work and to understand the challenges of working appropriately and sustainably with partner organizations.

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

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

Trustees appraise their performance and that of the Board annually.

3.3 Expertise

Governance

- Strategic planning
- Financial Management
- Human resource management
- Organisational development
- UK charity status, law and management
- IT and systems management
- Understanding of role of charity trustees
- Risk Management

Work

- Technical experience of provision of water and sanitation – particularly in developing countries
- Experience and understanding of the technical, social and political aspects of delivery of water and sanitation and health messages that reach poor communities
- Experience of international development work (especially in Africa and the South Asian sub-continent)
- Understanding of the role of government, NGOs and other civil society organisations in the developing world
- Capacity building and organisational development
- Monitoring, evaluation and measuring organisational impact
- Understanding of political process, policy influence work and advocacy

Income

- Marketing and communications
- Fundraising from individual supporters and donors
- Understanding or experience of the large contract providers – governments, trusts and foundations

Reputation/Connections

- Understanding of WaterAid's relationship with the UK water industry
- Experience of promotion and fundraising for WaterAid with the water industry, suppliers, employees and supporters
- Other business connections
- Public relations skills
- Ability to develop or build on existing links with WaterAid member countries

3.4 A diverse mix of skills and personal attributes

Whilst commitment, a willingness to work together and expertise are some of the most important qualities necessary for Trustees to be effective, it is also important for WaterAid to have a balanced Board in terms of gender and with a diversity of experience, ethnic backgrounds and personal attributes.

In line with our diversity and equality policy WaterAid is committed to seeking Trustees from a wide range of backgrounds. WaterAid works in Africa and Asia and suitably skilled Trustees with ethnic origins in Africa and Asia will be encouraged to join the Board.

3.5 Reputation

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

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

However, above all it is vital that Trustees are committed to the values and work of WaterAid and are able to commit to the governance role as laid out in the code of conduct.

4. Code of conduct

A Trustee code of conduct for WaterAid Trustees has been developed based on the code issued by the Association of Chief Executives of Voluntary Organisations (ACEVO) and Good Governance: A Code for the Voluntary and Community Sector from the National Council for Voluntary Organisations (NCVO).

5. Meetings

The Board of Trustees normally meets four times a year in addition to the Annual General Meeting. A full agenda and background papers are submitted in advance.

In addition to the business meetings Trustees will spend time together over dinner usually before a meeting and at occasional away days.

Trustees are presented with relevant papers in advance of meetings.

The meetings are timetabled to achieve the following:

- March – establishes performance targets for the coming year; approval of plans and budgets
- July – annual reports; outcome of the previous calendar year; progress against targets,
- September – approval and signing of audited annual report and accounts
- October - Annual General Meeting and Annual Supporters Meeting
- December – long-term plans and budgets

6. Selection and induction of Trustees

Good governance is important to WaterAid. Trustees are selected in a manner consistent with the organisation's recruitment and diversity and equality policies, ensuring that the selection process is time and cost effective.

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

The Nominations sub-committee of the Board seeks suitable Trustees to recommend to the existing Board. The process of selection is an opportunity for all parties to get to know each other and to ensure that joining WaterAid's Board would be of mutual benefit and interest. The decision will be based on ability to work with the existing Board, commitment, approach, expertise, diversity and reputation. The Nominations sub-committee will meet suitable respondents and find out about the expertise and qualities that they could bring to the Board.

As part of their induction Trustees spend time in the UK office and if feasible are encouraged to visit country programmes and partners. WaterAid provides Trustees with this induction manual on joining the organisation and other key documents.

Trustees are encouraged to read background information regarding their roles and responsibilities e.g. the Charity Commission publications including, The Essential Trustee: What you need to know.

7. Principles for working effectively

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

- Clarity of role
- Understanding of governance and management
- Full induction
- Regular performance review to determine Board strengths and weaknesses
- Shared sense of direction
- Close working relationship between Chair and Chief Executive
- Strong leadership from Chair
- Commitment to the code of conduct
- Commitment to the values and work of WaterAid
- Effective selection of Trustees based on required skills and attributes
- Cost effectiveness of Trustee meetings and conferences

8. Expenses

Costs associated with attending Trustee meetings or in undertaking business on WaterAid's request e.g. visiting WaterAid's work or attending events can be covered by WaterAid and all reasonable out of pocket expenses reimbursed.

A5: Trustees' code of conduct

Introduction

WaterAid is an overseas development organisation with offices in the UK, Africa, Asia, Australia, America and Sweden. WaterAid was first established in the UK by Trust Deed on 21 July 1981, incorporated on 30 January 1984 and registered as a charity in England and Wales on 22 February 1984. It was registered as a charity in Scotland with the Office of the Scottish Charity Regulator on 3 April 2008.

In the UK WaterAid Trustees have duties under company law, as well as charity law, summarised in the Charity Commission's publications.

This code of conduct is not a list of Trustees' legal duties. However it is fully consistent with legal principles.

Purpose of a code of conduct for WaterAid

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

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

General

1. WaterAid Trustees will act with probity, due prudence and should take and consider professional advice on anything in which the Trustees do not have expertise themselves.
2. WaterAid Trustees will administer the organisation and all its assets in the interest of current, potential and future stakeholders – partners, supporters, donors, staff and Trustees.
3. Trustees hold themselves accountable to the organisation's stakeholders including the public for the Board's decisions, the performance of the Board and the performance of the organisation.
4. Except where legally authorised, Trustees should not gain financial or other material benefit for themselves, their families or their friends from their Trusteeship of the Charity. The Board should ensure that there are clear written policies on claiming of expenses by Trustees.
5. A Trustee of WaterAid will not place themselves under any financial or other obligation to outside individual organisations that might influence their performance of official duties.
6. Trustees will conduct themselves in a manner that enhances the reputation of the organisation. Where Trustees are aware of anything that could be damaging to the reputation of the organisation or to its staff individually or collectively this will be raised immediately with the Board and the Chief Executive.

7. WaterAid Trustees will make decisions together and take joint responsibility for them. The extent to which any one Trustee or a small group of Trustees is empowered to speak for or take action on behalf of the organisation or the Board is a matter for all Trustees to decide together. Such decisions should be recorded.
8. Trustees accept that in fulfilling their role as a Trustee of WaterAid their responsibility should be solely to WaterAid and they will focus the expertise they bring from other spheres of their lives for the benefit of WaterAid.
9. WaterAid has a diversity and equality policy which Trustees are expected to be familiar with. Trustees should work in a manner consistent with the principle of equal opportunities.

Declaration of interests

1. To ensure open and transparent exchange of information between Trustees, potential Trustees will be asked to sign a declaration regarding their suitability to join the Board.
2. Trustees will also be asked to disclose their interests in the WaterAid register of interests that is held by the Company Secretary. The information provided will be maintained in this register in compliance with the Data Protection Act.
3. Trustees are asked to keep the information they have registered up to date on an annual basis.

Responsibilities

1. Assisted by the Chief Executive, Trustees will formulate and regularly review the organisation's vision, values, policies and long-term strategy.
2. WaterAid Trustees will ensure that the organisation complies with regulatory and statutory requirements and will exercise overall control over the organisation's financial affairs - assisted by the Chief Executive and other professional advisers, as necessary. In addition to compliance with statutory requirements, Trustees have a commitment to the development and implementation of good practice.
3. WaterAid Trustees need to be familiar with and keep under regular review the memorandum and articles of association of the organisation. Any changes should be made in accordance with constitutional and legal requirements.
4. In order to develop a working knowledge of the organisation and to give themselves credibility, Trustees should endeavour to maintain links and keep in touch with the organisation through regular contacts or visits.
5. Visits to country programmes or affiliates are expected to be organised by arrangement with the Chief Executive - unless there is a good reason to believe that the Chief Executive's actions are threatening the probity of the organisation.

Meetings of the WaterAid Board of Trustees

1. WaterAid Trustees are normally expected to attend four or five meetings a year. Trustees who are members of committees will be required to attend up to four additional meetings for each. Dates for meetings are agreed with Trustees in the preceding year.
2. A set of papers and an agenda is sent out to all Trustees at least five working days before each meeting to allow time for these to be read in advance. Trustees are expected to prepare for and contribute appropriately and effectively to meetings.
3. WaterAid Trustees should bring a fair and open-minded view to all discussions of the board and should ensure that all decisions are made in the organisation's best interests.
4. Trustees are expected to foresee and avoid any conflict of interest. Where one arises, a Trustee is expected to declare the interest and if the board requires it, to absent themselves from any discussion or vote taken on the matter. Any transaction under which the Trustee will benefit either directly or indirectly must have proper legal authority.
5. Confidential information or material (relating to partners, donors, staff, commercial business, etc.) provided for, or discussed at a Board meeting should remain confidential and within the confines of the Board and should not be discussed outside the Trustee body.
6. Trustees have a responsibility to develop and ensure the maintenance of a properly constituted, balanced and competent Board. This includes clear procedures for the selection, election, training, retirement and, if necessary, removal of Trustees, and to ensure arrangements are followed for recruiting the honorary officers.

Staff

1. Trustees are expected to understand, accept and respect the difference in roles between the Board, the Chief Executive and Directors, ensuring that the honorary officers, the Board, the Chief Executive and the Directors' team work effectively and cohesively for the benefit of the organisation, and develop a mutually supportive and loyal relationship.
2. Policies and strategies agreed by Trustees should be expressed in unambiguous and practical terms, so that the Chief Executive and staff responsible for implementing those policies are clear what they need to do. Directions given to the Chief Executive and the staff should come from the Board as a whole. The honorary officers or a sub-committee of the Board may be delegated the responsibility for clarifying or interpreting the requirements of the Board on specific issues.
3. Trustees should ensure there is a clear understanding of the scope of authority delegated to the Chief Executive.
4. Having given the Chief Executive delegated authority, Trustees should be careful - individually and collectively - not to undermine it by word or action.
5. Trustees should act fairly and in accordance with good employment and equal opportunities principles in making decisions affecting the appointment, recruitment, professional development, appraisal, remuneration and discipline of the Chief Executive and other staff.

A6: Declaration of interests policy

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

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

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

1. sign the Trustees' declaration before joining the board
2. register any interests that may impact on their work with WaterAid in the register of interests held by the Company Secretary and update this annually
3. declare any potential for conflict of interest that may arise due to the topics under discussion at a Board meeting

To ensure openness and transparency and in the interests of good governance, the UK Directors' Team of WaterAid are also expected to declare and register any interests that may have an impact on their work with WaterAid.

WaterAid Country Representatives are encouraged to develop suitable declaration of interest policies within WaterAid country programmes.

Declaration of interests

Before joining the Board, Trustees are requested to sign the Trustee declaration to demonstrate their suitability to join – see Trustee declaration annexed.

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

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

Register of interests

As stated in the Trustee declaration, Trustees are asked to declare any interests that may impact on their work with WaterAid in the WaterAid register of interests held by the Company Secretary. Similarly the UK Directors' Team are expected to register any interests that might impact on their work with WaterAid. The register of interests will be available to WaterAid's Trustees and the UK Directors for inspection and will be maintained in compliance with the Data Protection Act.

Declared interests may include:

- connection with the water and sanitation industries
- family or close ties with members of WaterAid's staff or Trustees
- relevant self-employment, directorships, trusteeships or equivalent positions and other appointments or positions of authority
- relevant financial interests

Trustees and the UK Directors will be asked by the Company Secretary to update their entries in the register annually – normally before an AGM.

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

Gifts

Occasionally Trustees or staff may receive a gift, benefit or an offer of hospitality arising from their position at WaterAid. It is suggested that any item considered to be of a significant value are declared to and recorded by the Company Secretary and the register is available for the Board for review.

WaterAid Trustee Declaration of Interests

I, (name of Trustee) declare that:

I am currently employed as: _____

I am a member of the following boards and associations:

Other interests that may be relevant are:

- I have read the WaterAid Trustee background paper, code of conduct, declaration of interests' policy and strategic plan.
- I have provided a full CV to WaterAid and am aged over 18 years
- I have declared any conviction for an offence involving deception or dishonesty
- I am not an un-discharged bankrupt
- I have not previously been removed from trusteeship of a charity by a Court or by the Charity Commissioners
- I am not under a disqualification order under the Company Directors' Disqualification Act 1996
- I am, in the light of the above, not disqualified by the Charities Act 1993 (Section 72) from acting as a charity trustee
- I undertake to fulfil my responsibilities and duties as a Trustee in good faith and in accordance with English law and the WaterAid Trustees code of conduct
- I have declared my interests in the register held by the Company Secretary e.g. directorships, trusteeships, significant investments, positions of employment, relationships with WaterAid staff or beneficiaries of WaterAid, official positions in membership organisations, groups and political parties that may have an impact on my work with WaterAid. I will specifically notify any such relevant interest at any meeting at which Trustees are required to make a decision as is consistent with the WaterAid declaration of interests policy and the Trustees code of conduct.
- I do not have any financial or other interests in conflict with those of WaterAid (either in person, or through family, business or employment connections) except those that I have formally notified in the register of interests.

Signed

Dated

A7: Role of the Board of Trustees and role and person specifications for a Trustee, Chair of the Board and Honorary Treasurer

Role of the Board of Trustees

The purpose

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

Trustees are responsible for ensuring legal and statutory requirements of a UK charity in compliance with the Charity Commission guidelines¹.

Key Accountabilities

1. To approve and own the strategic direction for the organisation including its vision, aims and strategies and to guide WaterAid to achieve its aims in the most efficient and effective manner consistent with organisational values and approach
2. To take ultimate responsibility as per the Memorandum of Association for controlling the management and administration of the charity while delegating management to the Chief Executive.
3. To follow the WaterAid Trustee code of conduct.
4. To regularly monitor the context and operating environment in which WaterAid works and to address emerging issues that may impact on strategy, implementation of plans or reputation with key stakeholders.
5. To ensure that the organisation functions within the legal and financial requirements of a registered charity – industrial, financial, charitable, health and safety, data protection etc.
6. To ensure that the policies, plans and budgets of the organisation are in keeping with its aims.
7. To approve strategic plans, budgets, reserves policy and position and authorisation limits.
8. To ensure that the organisation has the resources, both human and financial, to achieve its aims.
9. To approve annual budgets and multi year budget projections and to monitor progress against these and to ensure that the organisation is managing cash flow and reserves prudently.
10. To ensure an ongoing risk assessment and management process is in place across the organisation that is informing policies, procedures and plans and that Trustees are updated on this and advised of any significant changes as they occur.

¹ Charity Commission for England and Wales, Publication CC3 – Responsibilities of Charity Trustees
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11. To monitor and evaluate the progress of the organisation against its strategic aims, objectives and financial targets.
12. Approve annual reports and accounts for WaterAid and WaterAid Trading Ltd.
13. To ensure that annual audits are carried out across the organisation and reported to the Audit Committee and that reports from this committee are considered by the Board as a whole.
14. To ensure that a register of fraud is held and made available to all trustees and that serious fraud is reported to the Board as a whole and investigated.
15. To employ and supervise a Chief Executive and delegate to him/her the management of the organisation.
16. To sit on appraisal, recruitment and disciplinary panels as required.
17. The Chair of Trustees, supported by the Nominations Committee and the Chief Executive is responsible to ensure that the processes of governance are carried out effectively e.g.
 - Trustee selection, induction and review to ensure a mix of governance skills and a diversity of membership;
 - evaluation of performance of the Board to undertake the duties as described above;
 - ensuring other sub committees of the Board are constituted appropriately and are effective as necessary for good governance e.g. the Audit Committee and Nominations Committee
 - Board meetings are held regularly and minuted
18. To provide advice and guidance in subject areas where the Trustee has particular expertise to the Board and Chief Executive where appropriate.
19. To ensure that a process for declaring interests is in place.

Trustee role description and person specification

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

Essential

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

Term of office

The term of appointment is for three years with the possibility of renewal for a further three years. Trustees work on a pro bono basis, and are asked to give around 10-15 days a year to WaterAid.

Chair of the Board of Trustees role description

Purpose

To provide strategic leadership of WaterAid in collaboration with the Chief Executive and the Board of Trustees.

To inspire the Board and Chief Executive through the promotion of the organisation's vision, values and culture and to implement the charitable aims through the strategic plan, as agreed by the Board.

To supervise and support the Chief Executive.

Specific responsibilities

1. To undertake the duties of a Board member (see [WaterAid Trustee role description](#)).
2. To chair the Board in particular by
 - Planning the annual cycle of meetings with the Chief Executive
 - Giving direction to policy and strategic decision making
 - Ensuring that the Board makes clear decisions on strategy, policy, financial stewardship and risk exposure
 - Monitoring the implementation of the Board decisions
3. To monitor the performance of the Board, its members, and the Chief Executive.
4. To develop the Board and to ensure that members are properly inducted and supported.
5. To update and monitor the code of conduct for Board members and the scheme of delegation for the Chief Executive.
6. On behalf of the Board to supervise and appraise the Chief Executive and delegate to the Chief Executive the management of the organisation.
7. To represent the organisation when appropriate.

Term of office

The term of the Chair is three years. A maximum of two terms can be served. In occasional circumstances this may be extended to ensure continuity.

Chair of the Board of Trustees person specification

1. A proven track record of leading a large organisation in the public, voluntary or commercial sectors such as Chair, Chief Executive or Director.
2. Strong connections and reputational credibility ideally gained in the field of international development and/or the provision of safe water and sanitation.
3. Excellent networking with a record of achievement and willing to engage with contacts for the benefit of WaterAid.
4. A good understanding of the social, economic and political context in which WaterAid works in Africa and Asia and a willingness to further develop this understanding.
5. Able to effectively chair a diverse Board of Trustees in governing a complex international organisation.
6. Understanding and ability of promoting effective governance practices in the context of a registered UK charity.
7. Understanding of diversity as part of good governance.

Personal qualities

1. Commitment to the mission, aims and ethos of WaterAid.
2. A natural communicator and 'people person'.
3. Able to work as part of and to lead a diverse team.

Aptitude and skills

1. The ability and willingness to represent the charity and to play an ambassadorial role with policy makers, supporters and others.
2. The confidence and ability to provide support to Trustees and to evaluate the performance of the Board.
3. The ability to provide supervision and guidance to the Chief Executive and to work collaboratively in developing and implementing the strategy and monitoring performance of the organisation.
4. Independence of thought and judgement with a willingness to accept and promote democratically made decisions of the Board irrespective of personal opinion.

Other requirements

1. Time and enthusiasm to dedicate to the role of Chair. The commitment to prepare for and attend four full Board meetings each year plus the Annual Supporters Meeting and Board sub-committee meetings; to represent the organisation regularly; and to interact with the Chief Executive for supervisory meetings on a monthly basis and in between as required and to conduct their annual performance review.
2. A willingness to travel overseas to visit WaterAid's work
3. A commitment to the Trustees' code of conduct.

Honorary Treasurer role description and person specification

The role

To govern WaterAid in line with its charitable objectives and to maintain oversight of the organisations financial affairs on behalf of the Board of Trustees.

To provide guidance to the Board of Trustees, Chief Executive, Director of Finance and IT and other Directors on financial stewardship of the organisation in line with the strategic aims.

General responsibilities

1. To contribute actively to the Board of Trustees' role in giving firm strategic direction to the organisation, setting overall policy, defining goals and setting targets and evaluating performance against agreed targets.
2. To safeguard the good name and values of the organisation.
3. To advise the Board of the financial stability and level of effective and efficient administration of the organisation.

Responsibilities as Honorary Treasurer

1. To oversee WaterAid's compliance with the legal and financial requirements required of a company limited by guarantee budgets and accounts before these are presented to the Board of Trustees.
2. To be a sounding board for the Director of Finance and IT and to work in partnership with the Executive to look at organisational budgets and accounts before these are presented to the Board of Trustees.
3. To draw any major financial concerns to the attention of the Board of Trustees and Chief Executive
4. To propose and monitor the reserves and risk management policies.
5. To propose and monitor the investment policy in line with WaterAid's Ethical Policy
6. To meet with the external auditor and Head of Internal Audit without the Director of Finance and IT at least once annually
7. To attend the Audit Committee meetings as requested by the Chair of the Audit Committee.
8. To present the accounts to the Annual General Meeting and draw attention to the important points.
9. To sit on appraisal, recruitment and disciplinary panels as required.

Details

1. The Honorary Treasurer will be selected in line with WaterAid Trustee selection practices and will normally hold office for a term of three years.
2. Usually a maximum of two terms can be served.
3. Time served as a Trustee prior to becoming Honorary Treasurer does not count towards the term limit for Honorary Treasurer.
4. Appropriate checks on the probity of the Honorary Treasurer will be undertaken by the Chair before he or she takes up office.
5. The Honorary Treasurer is required to declare to the Board of Trustees immediately any links with the auditors, suppliers, contractors, staff or any other body that has dealings with WaterAid.
6. The Honorary Treasurer is accountable to the Board of Trustees.

Honorary Treasurer Person specification

The person specification for the Honorary Treasurer includes the essential criteria for all WaterAid Trustees as well as specific skills relevant for the role.

Specific skills required for Honorary Treasurer

Essential

1. Professional background in accountancy
2. Experience of financial management in a multi million pound organisation at senior level
3. Prepared to make difficult and demanding recommendations to the Board
4. Experience of risk management – preferably in a not for profit organisation

Preferable

1. Understanding of financial and cash management
2. Experience of investment and understanding of this in a charity context
3. Experience of management and legal requirements of a UK registered charity
4. Experience of managing complex contracts and contractual liability
5. Financial management experience of a decentralised international organisation
6. Experience of international finance and charity management
7. Experience as a trustee of a charity

A8: Terms of reference for the Audit, Nominations and Remuneration Committees

Terms of reference for the Audit Committee

General responsibilities

1. The Audit Committee is a sub-committee of the full Board and is required to retain a certain amount of independence. It needs to decide what areas it will review without interference from staff members or other Board members.
2. The role is to oversee all systems, controls and processes that may have an impact on the Charity's ability to meet its aims. The Audit Committee ensures that:
 - Effective audit functions are in place (both external and internal)
 - Adequate risk management processes are in place
 - An adequate internal control environment is established
 - Arrangements are in place to ensure compliance with SORP
 - WaterAid's financial management processes are operating effectively.

Specific responsibilities of the Audit Committee

1. To consider all aspects of the external audit, including periodic tendering, appointment and remuneration of the external auditor; the nature and scope of the statutory audit; the recommendation of audited financial statements to the Board; and the discussion of issues raised in the external auditor's management letter.
2. To ensure the annual financial statements are true and fair and conform to accounting standards and that accounting policies are appropriate and applied consistently.
3. To review the performance reported in the Trustees' Annual Report and ensure that this is a true reflection of the charity's performance.
4. To review all reports prepared by the external auditor and agree the programme of work proposed by management to address issues raised.
5. To review the process for awarding non-audit work to the external audit firm and ensure that potential conflicts of interest are managed in the best interests of the charity.

Review of internal controls

1. To consider all aspects of the internal audit, including the independent review of systems and controls, the development of the nature and scope of the internal auditor's work programme, and the monitoring of management in implementing recommendations raised by the internal auditor.
2. To monitor the compliance of WaterAid with applicable law and regulation, as well as the Charity's own policies and procedures.

Review of risk management processes

1. To monitor the assessment of risks to which the organisation is exposed, to ensure this is kept up to date and to ensure that management are charged with implementing controls to mitigate these risks.
2. To ensure that the risk management processes are adopted across the whole charity.
3. To review the risk assessment process from time to time to ensure that this is effective.

Additional duties

As WaterAid does not have a Finance Committee of the Board, the Audit Committee plays a role in financial governance and considers policies and recommendations as suggested by the Chief Executive and Director of Finance and IT before these are put to the Board for approval. For example:

- a. Investment policy
- b. Reserves policy
- c. Changes to accounting policy.
- d. Review forecasts, financial assumptions, ratios and sensitivity analysis

Review and evaluation

The Audit Committee is also responsible for

- Reviewing the operation of internal and external audit and the adequacy of the level of assurance gained from the combined activities of both.
- Reviewing the performance of the Audit Committee and assessing where change may be needed.

Membership

1. The Audit Committee is a sub-committee of the Board of WaterAid, and reports directly to the Board.
2. Committee members shall be appointed by the Board and shall consist of at least three Board members.
3. The Honorary Treasurer shall be an ex-officio member of the Audit Committee.
4. The Committee has the power to co-opt up to three members.
5. The Committee may appoint an External member of the Committee to provide an additional external and independent perspective. The External member of the committee is not a Trustee of the Board.
6. A quorum shall be two members.
7. Members are appointed on an annual basis. This term can be renewed up to the maximum term of six years.

8. The Chair of the Committee shall be appointed by the Board.
9. The Chair of the Board cannot also be the Chair of the Audit Committee nor can the Honorary Treasurer.

Attendance and frequency of meetings

1. The Audit Committee will meet at least twice a year – one of these meetings would include a session looking at the Trustees' Report and audited accounts.
2. The Chief Executive, Director of Finance and IT, the Head of Internal Audit and the Honorary Treasurer shall normally attend meetings. Other Board members shall also have the right of attendance.
3. At least once a year the Audit Committee shall meet with the external auditor without members of management present.
4. Meetings of the Audit Committee can be called at any time should the Chair of the Board, Chair of the Audit Committee, Head of Internal Audit, or Chief Executive consider this is necessary.
5. At the beginning of each meeting the Audit Committee will meet with the Head of Internal Audit without other staff members present.
6. Members should declare their interest in any agenda item at the beginning of the meeting to ensure there is no conflict of interest as is consistent with WaterAid's declaration of interests policy.

Reporting

1. The Audit Committee will formally report back to the Board after each meeting by providing minutes of each meeting.
2. Details of significant decisions taken will be made available to all relevant parties.

Terms of reference for the Nominations Committee

Purpose

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

Membership

1. The Committee has a membership of a maximum of five and a minimum of three members of the Board of which the Chair and Vice Chair are permanent members.
2. The Chief Executive (CE) of WaterAid is a permanent invitee to the Committee's proceedings. However the Committee will always hold part of the meeting without the CE.
3. The Committee meets twice a year on average.
4. Three members of this committee constitutes a quorum

Tasks

The remit of the Committee covers the following issues:

1. To ensure WaterAid has a board with the right competencies, skills and experience, numbers of trustees and diversity to assist WaterAid to develop and deliver on ambitious strategies for the future.
2. To oversee the tenure of members of the Board of Trustees and maintain a record of attendance of members of the Board at meetings.
3. Regular reviews (carried out in consultation with members of the Board) of the qualities and skills required by Trustees individually and the Board as a whole to ensure good governance.
4. Selection of new members of the Board to fill vacancies as and when members retire.
5. Induction and training of Trustees as appropriate.
6. Selection of members of the Board to its committees - currently the Audit; Remuneration and Nominations - for approval by the Board.
7. Proposals regarding ways in which ex-members of the Board can be kept engaged with WaterAid's work and the promotion of its objectives.
8. An annual evaluation of the effectiveness of the Board and its Committees
9. Oversight of the declaration of interests policies and procedures
10. Recommendations from the Nominations Committee relating to all the above tasks, as applicable, are made to the Board of Trustees for ratification, nomination or approval as the case may be.

Terms of reference of the Remuneration Committee

Purpose

1. To support the Chief Executive and Director of Human Resources (HR) in further developing HR policy and practice across the organisation and to promote an effective, high performing and diverse work force
2. To make recommendations to the Board on any significant changes in policy and practice in relation to the terms, conditions and salaries of staff across the organisation

Membership

1. The Committee is made up of the Chair and Treasurer of the Board and one other Trustee as agreed by the board as a whole.
2. The Chair of the Board chairs the meeting.
3. The Chief Executive and the Director of Human Resources are normally in attendance - except when the discussions relates to their own salary and conditions.
4. The Committee normally meets once before the March Board meeting and additional meetings may be called as required.

Tasks

1. To review HR policy and practice across the organisation.
2. To make recommendations to the Board on major changes in policy in relation to the terms, conditions and salaries of UK staff including the annual cost of living increases in the UK, and to provide assurances that the UK Staff Handbook is kept updated.
3. To advise the Chief Executive regarding the Directors' salaries.
4. To agree the Chief Executive's pay.

A9: Role description and person specification for the Chairs of the Audit and Nominations Committees

Chair of the Audit Committee role description and person specification

Introduction

The term of the Chair is three years. A maximum of two terms can be served. In occasional circumstances this may be extended to ensure continuity.

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

Purpose

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

Specific duties

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

Person specification

The person specification for the Chair of the Audit Committee includes the essential criteria for all WaterAid Trustees as well as specific skills relevant for the role.

Essential

1. Professional background at director level or in audit or accountancy
2. Experience of audit in a large organisation at senior level
3. Prepared to make difficult and demanding recommendations to the Board
4. Experience of risk management

Chair of the Nominations Committee role description and person specification

Introduction

The term of the Chair is three years. A maximum of two terms can be served. In occasional circumstances this may be extended to ensure continuity.

The Board nominates the Chair of the Nominations Committee and it is customary for this to be the Chair of the Board.

Purpose

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

Person specification

The person specification for the Chair of the Nominations committee includes the essential criteria for all WaterAid Trustees as well as specific skills relevant for the role.

Essential

1. Understanding of the requirements of good governance in a UK registered charity
2. Ability to guide the Committee in the selection and development of the Board of Trustees

A10: Scheme of delegation and Schedule of Reserved Powers

Scheme of delegation: Board of Trustees to Chief Executive

1. Introduction

This scheme of delegation sets out the authority delegated by the Board of Trustees of WaterAid to the Chief Executive. It refers to the job description of the Chief Executive and addresses a number of areas that require more detailed operational procedures to enable accountable, effective, and efficient leadership and management of WaterAid.

2. Policy framework

- 2.1 WaterAid is registered as a company limited by guarantee and a registered charity in England and Wales and abides by the guidelines for the operation of charities.
- 2.2 The WaterAid Chief Executive will draw to the attention of the Chair and Board of Trustees any need to update governance procedures to comply with changes to the operating context.
- 2.3 In consultation with the Board the Chief Executive will develop and implement the strategy for the organisation based on WaterAid's vision. The strategy will be developed in consultation with the country programmes, Directors' Team and external stakeholders and is based on the context in which WaterAid operates.
- 2.4 The Chief Executive will prepare annual and long term plans and budgets for WaterAid, with the Directors' Team, for approval by the Board based on the strategy/strategic plan.
- 2.5 The Chief Executive will be responsible for reviewing the longer term organisational plans every 12 months to ensure that its objectives, targets and projections remain relevant to the contemporary operating conditions.
- 2.6 The Chief Executive is responsible for ensuring the organisation is assessing and managing organisational risk on an ongoing basis and reporting the findings to the Board in conjunction with the findings of the Audit Committee.
- 2.7 The Chief Executive and Director of Finance and IT will provide regular reports detailing income and expenditure against the approved organisational budget to the Honorary Treasurer and to the Board at the quarterly meetings. Any concerns that arise outside of the reporting schedule will be drawn to the attention of the Honorary Treasurer of the Board.

3. Scheme of delegation

- 3.1 This scheme of delegation provides the authority to the Chief Executive to manage the plans, budgets, property and staffing resources of WaterAid within this policy framework.
- 3.2 The Chief Executive is the senior manager of WaterAid and is responsible for advising the Board when it is determining policies and priorities and to ensure that these policies and priorities are implemented effectively.

- 3.3 As a rule the Board will determine high-level or strategic policies. The Chief Executive has delegated authority to determine everyday policies.
- 3.4 The Chief Executive operates within WaterAid's policies and priorities agreed by the Board. The Chief Executive has delegated responsibility for the effective and efficient management of the organisation.

4. Finance

- 4.1 The Chief Executive supported by the Director of Finance and IT will present to the December meeting the long term operational and financial rolling plans and budgets and the annual budget for the coming year along with a risk assessment and statement on reserves.
- 4.2 The Chief Executive will submit a detailed annual income and expenditure budget to the March Board meeting for the coming financial year based on the approved long term plan and budgets (for approval by the Board of Trustees).
- 4.3 The Chief Executive is delegated review and approval of quarterly income re-forecasts and six monthly departmental re-forecasts. A quarterly update on financial performance (including income and expenditure, balance sheet, cash flow and reserves information) and six month re-forecasts will be provided to the Board of Trustees by the Chief Executive.
- 4.4 The Chief Executive is delegated authority to vary the 3 year financial allocations by a total amount not exceeding 10%. Any variation in excess of this must be approved by the Board of Trustees.
- 4.5 The Chief Executive is delegated authority for expenditure less than £1,000,000 for single transactions or contracts, if within the approved expenditure budget. For items outside the budget the Chief Executive requires approval of the Chair and another trustee (who shall not be the Chair of Audit Committee or the Treasurer) for any transactions over £250,000
- 4.6 The Chief Executive is delegated responsibility for entering into partnership agreements with low risk partners up to £1m and high risk partners (as identified on the risk review process and logged on the risk register) up to £250k. If the total of agreements exceeds these bands the Chief Executive requires approval of the Chair and another trustee (who shall not be the Chair of Audit Committee or the Treasurer).
- 4.7 The Chief Executive is delegated responsibility for entering into lease agreements up to 5 years. Lease agreements in excess of this period require the approval of the Honorary Treasurer.
- 4.9 Opening of new bank accounts requires a resolution signed by the Chief Executive and the Director of Finance and IT. Operational responsibility for banking is delegated to the Chief Executive.
- 4.10 The Chief Executive is delegated responsibility with the Chair of Audit committee for approving and signing the Audit Engagement Letter.

5. Recruitment and management of staff

- 5.1 The Board of Trustees delegates the approval of the staffing establishment of WaterAid to the Chief Executive.
- 5.2 The Chief Executive will advise the Board of Trustees of the projected staffing establishment in the long term and annual plans.
- 5.3 The Chief Executive will report on staffing establishment annually to the Board of Trustees.
- 5.4 The recruitment of the Chief Executive will be the responsibility of the Board. Support, management and appraisal of the Chief Executive will be the responsibility of the Chair reporting as appropriate to the Board.
- 5.5 Subject to the policies and procedures detailed in the Staff Handbook, the Chief Executive will be responsible for the guidance, support and supervision of staff.
- 5.6 Overall pay and rewards policy will be agreed by the Board. The Chief Executive will determine details of its application, except in the case of his/her post when the Board through the Chair will determine its application. The Remuneration committee will be consulted by the Chief Executive regarding Directors' salaries.

6. Public relations

- 6.1 The Board delegates to the Chief Executive the role of principal spokesperson for WaterAid. This role will be exercised within the policies and procedures of the organisation. The Board will refer all media enquiries to the Chief Executive except those dealing with the Board and its governance in which case the Chair and another trustee (who shall not be the Chair of Audit Committee or the Treasurer) will also be consulted.

7. Further delegation

- 7.1 The Chief Executive may, for the efficient management and proper operation of WaterAid, delegate any or all of the responsibilities contained within this scheme to other senior employees. This further delegation of responsibilities does not release the Chief Executive from overall responsibility as the most senior manager of WaterAid accountable to the Board.
- 7.2 A statement of financial delegation is part of the WaterAid financial procedures and manuals.

8. Reportable events

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

9. Term

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

Schedule of Reserved Powers for the Board of Trustees

1. Statement of reserved power

- 1.1 WaterAid's Scheme of Delegation of Authorities requires a schedule showing decisions reserved for the Board of Trustees. This schedule shall cover principle business activities and functions only.
- 1.2 In order to carry out its role, the Board of Trustees has determined those matters that it wishes to have referred to it for information and decision making purposes.

2. Strategy, Management and Governance

- 2.1 To approve and own the strategic direction for the organisation including its vision, aims and strategies and to guide WaterAid to achieve its aims in the most efficient and effective manner consistent with organisational values and approach
- 2.2 To take ultimate responsibility as per the Memorandum of Association for governance and management of the charity whilst delegating operational management to the Chief Executive.
- 2.3 To approve multi year plans and budget projections, to monitor progress against these and to approve any material changes (defined as in excess of 10% of 3 year budgets)
- 2.4 To monitor and evaluate the progress of the organisation against its strategic aims, objectives and financial targets (including cashflow and reserves) by review and analysis of the quarterly reports received from the Chief Executive.
- 2.5 To maintain oversight of WaterAid's operations ensuring:
 - Competent and prudent management
 - Sound planning
 - An adequate system of internal control
 - Adequate accounting and other records
 - Compliance with statutory and regulatory obligations.
- 2.6 To ensure that the organisation functions within the legal and financial requirements of a registered charity – industrial, financial, charitable, health and safety, data protection etc.
- 2.7 To regularly monitor the context and operating environment in which WaterAid works and to address emerging issues that may impact on strategy, implementation of plans or reputation with key stakeholders.
- 2.8 To approve any extension of WaterAid's activities into new business or geographic areas (including the approval of new countries that WaterAid wishes to work in).
- 2.9 To approve any decisions to cease to operate all or any material part of WaterAid's business
- 2.10 To ensure that the organisation has the resources, both human and financial, to achieve its aims.

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

2.12 To follow the WaterAid Trustee code of conduct.

2.13 To receive annual Health and Safety Assessment

2.14 To approve the reserves policy for WaterAid

3. Structure and Capital

3.1 To decide on any major changes to WaterAid's corporate structure

3.2 To make any decisions on changes to WaterAid's status as a company or registered charity

4. Financial Reporting and Controls

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

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

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

4.3 To approve annual reports and accounts for WaterAid and WaterAid Trading Ltd.

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

4.5 To agree Memoranda of Understanding, MOUs or agreements with affiliates such as WaterAid America and Australia and monitor and review their governance, strategies, operations and outcomes.

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

5. Commitments

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

5.2 To approve investments outside of those delegated to the Chief Executive in WaterAid's Investments Policy.

6. Board of Trustees' membership and other appointments

- 6.1 To select a chair and other honorary officers of the Board of Trustees and ensure adequate succession planning in place for these roles
- 6.2 To employ and supervise a Chief Executive and delegate to him/her the management of the organisation.
- 6.3 The Chair of Trustees, supported by the Nominations Committee and the Chief Executive is responsible to ensure that the processes of governance are carried out effectively e.g.
- Changes to the structure, size and composition of the Board of Trustees
 - Trustee selection, induction, review and rotation and ensuring a mix of governance skills and a diversity of membership;
 - evaluation of performance of the Board to undertake the duties as described above;
 - ensuring other sub committees of the Board are constituted appropriately, have the right membership and chair and are effective as necessary for good governance
 - Board meetings are held regularly and minuted
 - Appointment or removal of a company secretary
 - Appointment, re-appointment or removal of the external auditors to be put to the members for approval
 - Appointments to the boards of any subsidiary companies
- 6.4. To provide advice and guidance in subject areas where the Trustee has particular expertise to the Board and Chief Executive where appropriate.

7. Communication

- 7.1 Approval of resolutions and corresponding document to be put forward to Members at the Annual General Meeting.
- 7.2 The Chair and another trustee (who shall not be the Chair of Audit Committee or the Treasurer) will approve press releases concerning matters relating to the Board of Trustees

8. Remuneration

- 8.1 Determining the remuneration policy for the Chief Executive and Directors Team.
- 8.2 Appointment, appraisal, disciplining and dismissal of the Chief Executive.
- 8.3 Major changes to WaterAid's pension scheme
- 8.4 To sit on appraisal, recruitment and disciplinary panels as required
- 8.5 Approving the annual UK cost of living increase

A11: Trustee and Board performance appraisal form

Trustee name:

Date of completing form:

Date last (re)elected to the Board:

Date joined WaterAid's Board:

Attendance record at Trustee meetings since last (re)election: ___ out of ___ meetings

Brief description of level of contact with other WaterAid Trustees and WaterAid Chief Executive and Directors between Trustee meetings:

1. Self-appraisal of personal effectiveness

Please consider the following points and make your own comments under each question, providing a ranking where 5 is excellent and 1 poor. Thank you.

| | Considerations | Ranking 1- 5 |
|---|---|-----------------|
| 1 | How do you rate your contribution to WaterAid's governance? | |
| 2 | WaterAid's code of conduct for Trustees is attached. In the light of this, are there any matters relating to your situation that you feel you should highlight to the Chair? | |
| 3 | Do you have sufficient opportunity to read the WaterAid Trustee papers and prepare for meetings? | |
| 4 | Are you a willing and enthusiastic promoter of WaterAid? | |
| 5 | What would help you to work more effectively with the Chair of the Board, other Board members and the Chief Executive? | |
| 6 | General reflections and comments on your term on the Board to date | |
| 7 | <i>Only for Trustees coming to the end of their three year term. Please indicate if you are interested in standing for a further term and, if so, how long beyond your next term you feel you should remain on the Board.</i> | |
| 8 | Other comments | |

2. Evaluation of effectiveness of WaterAid's Board of Trustees

Please consider the following points and make your own comments under each question, providing a ranking where 5 is excellent and 1 poor. Thank you.

| | Considerations | Ranking 1 - 5 |
|----|---|------------------|
| 1 | Do you have any views on how the WaterAid Board can improve its governance processes? | |
| 2 | How would you rate the Board's understanding of WaterAid's vision, aims and programmes of work? Do you wish to suggest any areas for improvement? | |
| 3 | Are the roles of the Chair, other Trustees, the Chief Executive and Directors' Team clear? | |
| 4 | To what extent does the Board focus on strategy, policy and governance rather than on management issues? | |
| 5 | Does the Board represent the organisation effectively to its stakeholders? | |
| 6 | Does the Board monitor performance effectively and evaluate progress toward strategic goals? | |
| 7 | Does the Board have a good working relationship? How could this be enhanced? | |
| 8 | Does the Board have a good working relationship with the Chief Executive and with staff through the Chief Executive? How could this be enhanced? | |
| 9 | How effectively does the Board evaluate, challenge, motivate and develop the Chief Executive? | |
| 10 | Other comments | |

A12: Trustee induction, travel and expenses

Induction

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

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

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

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

Programme visits

Travel to visit WaterAid's programmes and partners is an important part of Trustees' understanding of the issues facing our staff and partners and of the work in country. Furthermore this provides a valuable opportunity for staff and partners to meet Trustees.

Trustees travel on behalf of the Board. The Chair in liaison with the executive - the Director of International Operations, the Director of Communications and Fundraising and the Chief Executive – is responsible for making sure opportunities are sought for visits at a time that is viable for the country programmes.

The Chair encourages each Trustee to visit a country programme at WaterAid's expense once in their first term of office (three years) as a familiarisation visit and once in their second term for a stated purpose that will add value to the governance of WaterAid.

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

Trustees are expected to travel under the same terms as other staff members e.g. economy class air travel, advanced purchase economy train tickets etc. and to stay in modest yet safe and secure accommodation. If Trustees wish to upgrade their travel and accommodation standards themselves this is of course their choice.

Expenses

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

Trustees can be reimbursed reasonable out-of-pocket expenses incurred as a result of attending Board meetings, sub committee meetings, official visits to country programmes or in carrying out their duties as requested by the Chair of the Board.

All expenses should be accounted for in a manner consistent with WaterAid's financial procedures.

Valid reimbursement of expenses includes:

- The reasonable cost of traveling to and from Trustee and sub committee meetings and on charity business
- The reasonable cost of childcare or dependent care whilst attending Trustee meetings
- The costs of postage and phone calls on charity business
- Communications support e.g. the cost of making documents available in Braille or in another language
- The costs of accommodation and subsistence whilst attending Trustee business

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

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

Health and insurance

Trustees are encouraged to consult their own medical adviser before traveling to ensure they carry sufficient prescribed medication with them, are fully immunized and take protective measures to combat the incidence of illness or tropical diseases while traveling. An appointment can be made before or after a trip with the specialist medical centre Interhealth if Trustees would find this helpful.

WaterAid has travel insurance covering people traveling on business.

General

Tickets and travel arrangements can be organised by WaterAid.

B2: Trustees' terms of office

WaterAid Board of Trustees as at October 2011

Office bearers

| Name | Role on the Board | Appointed at AGM |
|------------------|------------------------------|------------------|
| Jeremy Pelczer | Chair of the Board | 2007 |
| Hugh Belshaw OBE | Treasurer | 2007 |
| Peter Millward | Chair of the Audit Committee | 2010 |

Other Trustees

| Name | Role on the Board | Appointed at AGM |
|-----------------------|-------------------|------------------|
| Tony Kelly | Board member | 2006 |
| Helen Pankhurst | Board member | 2007 |
| Agnes Kalibbala | Board member | 2007 |
| Gregory Hodkinson | Board member | 2008 |
| Sandeep Katwala | Board member | 2009 |
| Paul Batchelor | Board member | 2009 |
| Rosemary Carr | Board member | 2011 |
| Christiane Wuillamie | Board member | 2011 |
| Clarissa Brocklehurst | Board member | 2011 |
| Richard Flint | Board member | 2011 |

C4: Diversity and equality policy

WaterAid recognises the value of having a diverse group of people involved in the organisation, and wishes to use the differences that people bring with them as a resource in the furthering of our aims and objectives.

WaterAid sees diversity as the visible and invisible differences between people – such as gender, race, ethnic or national origin, physical ability, sexual orientation, age, social class, language, religion, education and family/marital status – and recognises that these differences can lead to different ways of thinking, behaving, communicating and working. WaterAid believes that these differences enrich the organisation.

WaterAid will work to ensure that its Trustees, staff and volunteers have equal opportunities to achieve their full potential in carrying out their activities. In the international context in which WaterAid operates there may be occasions when the local application of this policy may be constrained in practice, but any such situation must be clearly justifiable and based solely on operational realities.

WaterAid will not tolerate:

- any unlawful or unjustifiable acts of discrimination
- any form of harassment on any grounds

Where such discrimination or harassment occurs action will be taken under the Disciplinary procedure, and may include dismissal for serious offences.

WaterAid is committed to developing a programme of action to promote diversity and equality, to monitoring our progress in this area and to sharing this information with staff. This includes promoting an inclusive working environment that is suitable for the effective working of all.

The Chief Executive is responsible for ensuring that this policy is implemented. In keeping with WaterAid's ethos and principles, it is expected that all staff, Trustees, volunteers and consultants become familiar with the policy and ensure that their language, behaviour and practice are consistent with its requirements.

C6: Risk Assessment and Management Policy

(version approved December 2010)

1. Introduction

- 1.1 In order for WaterAid to achieve its mission to transform the lives of excluded and poor people through the provision of safe water, improved hygiene and sanitation it is necessary to take risks and opportunities.
- 1.2 Risk can be defined as the as the combination of the probability of an event and its consequences². Risks and can be negative and relate to undesirable events and can be positive and relate to the taking of opportunities .
- 1.3 International development, by its very nature, carries a degree of inherent risk. WaterAid assesses known and potential risks to achieving its objectives and puts appropriate measures in place to allow the strategy to be realised.
- 1.4 WaterAid will take managed risks in respect of investing in innovative work and adopting new approaches that could result in increased numbers of people having access to safe water and sanitation. Opportunities, such as those linked to new areas of fundraising, will be risk assessed as and when they arise.
- 1.5 WA will be risk averse when it comes to the protection of our reputation and the safety of our people and we will be careful to secure our assets.
- 1.6 We aim to manage risk well and to capitalise on opportunities to deliver our mission and to minimise any adverse impact.
- 1.7 WaterAid has a risk assessment process consistent with good management practice. This ensures that appropriate steps have been taken to mitigate and recognise risk and that WaterAid makes the most of opportunities.
- 1.8 WaterAid complies with the Statement of Recommended Practice, SORP, required of UK registered charities. Trustees are responsible for ensuring that risk assessment and management processes are in place.
- 1.9 WaterAid uses a process of identifying risk under the categories:
 - Financial
 - Strategic
 - Operational
 - Hazard
- 1.10 Corporate risks under the above categories are detailed in a corporate risk register stating inherent risk status, the risk, controls in place, likelihood, impact, action points to improve controls, lead risk owner and an assessment of the residual risk given the adequacy of controls in place.
- 1.11 The probability, likely impact and the level of concern are ranked and a risk map and plan is produced of those corporate risks requiring prioritisation and attention.

² ISO/IEC Guide 73

- 1.12 WaterAid country programmes and the departments in the UK office are all required to assess and manage risk on an ongoing basis. This informs both our planning and decision making processes.
- 1.13 WaterAid aims to manage risk where this is possible by ensuring appropriate policies and procedures are in place to protect purpose, people, funds, other resources, information, relationships and reputation. WaterAid also aims to manage risk in a way that enables opportunities to be taken, where this supports the delivery of objectives.
- 1.14 Ongoing review and improvements are made to WaterAid's internal control and management information systems, both in the UK and in overseas programmes, to ensure good management and accountability.

2. Classification of risks

2.1 The categories of risk are defined as financial, strategic, operational and hazard in line with the Institute of Risk Management definitions.

2.2 The areas identified as the most important to monitor and manage have been identified below.

2.2.1 Financial risks

- a) Failure to maximise funding opportunities, decrease in buying power of funding, increase in inflation etc in time of economic volatility

2.2.2 Strategic risks

- a) Maintaining our high reputation through ensuring good relationships with and between partners, governments, WaterAid staff, trustees, supporters and donors
- b) Ensuring that WaterAid delivers programmes that are safe, high quality and sustainable
- c) recruiting, developing and retaining the right staff
- d) risks related to the management of growth and change
- e) Integration of strategy across WaterAid and co-ordination with other WaterAid offices

2.2.3 Operational risks

- a) Risk of inappropriate use of WaterAid's financial resources and the need to ensure control procedures are in place and regularly reviewed and checked
- b) Strategy delivery not being effectively handled organisationally
- c) maintaining the integrity of WaterAid's data and computer systems

2.2.4 Hazard risks

- a) Health and safety risks - risk to WaterAid staff, partners, supporters, resources and programmes in case of illness, accident, death, war, civil unrest, destabilization, major natural disaster or environmental change
- b) Business continuity risks in case of war, civil unrest, destabilization or major natural disaster

2.3 While some risks that WaterAid faces in our work are not in our power to prevent, minimising the impact of these eventualities needs to be considered and planned for e.g. natural disaster, civil unrest.

2.4 Other risks that could severely affect WaterAid's work that we have more control over are fraud, IT disaster and information loss. Policies and procedures to manage these potential risks need regular review.

3. Procedure for Monitoring and Reviewing Risk

3.1 Responsibility for the management and control of WaterAid rests with the Board of Trustees. In practice, Trustees have delegated key elements of the risk management process to the Chief Executive.

3.2 Trustees need to assure themselves that management have accurately assessed the risks and their consequences, identified risks are being monitored and managed, policies and procedures are in place and that the risk register and map is reviewed regularly. To achieve this:

3.2.1 Board of Trustees is presented with the corporate risk register and proposed actions at each March Board meeting for approval with the annual plans and budgets.

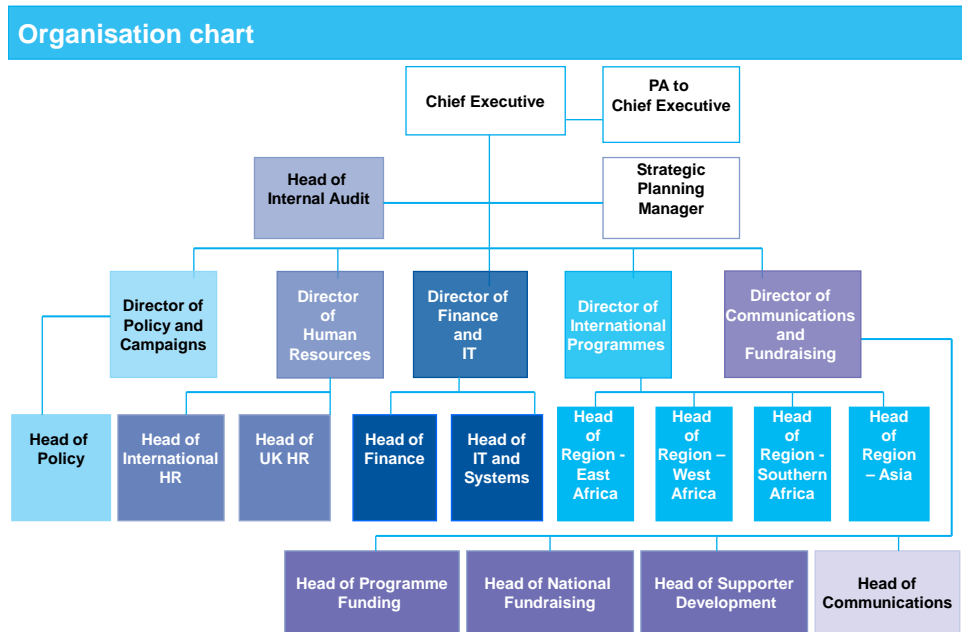
3.2.2 The Audit Committee monitors actions in the risk register and the adequacy of existing controls on behalf of the Board and report back.

3.2.3 The Chief Executive and Directors' Team identify the top level corporate risks and take responsibility for risk assessment being embedded in WaterAid's planning and decision making processes.

3.2.4 The Chief Executive is responsible for reviewing progress against identified risk mitigation measures and for ensuring that risk is managed as part of planning, budgeting, reporting and financing processes.

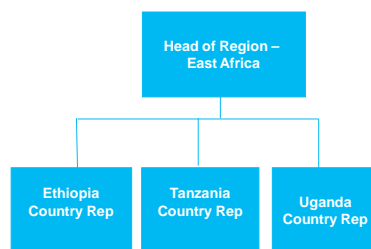
3.2.5 Individual Directors are responsible for ensuring that Departmental risks are adequately recorded and assessed, and that appropriate actions and measures are put in place.

D. Organisation Chart. UK Directors and Heads



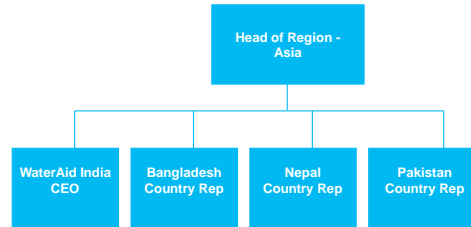
Heads of Region and Country Representatives

International Programme – East Africa

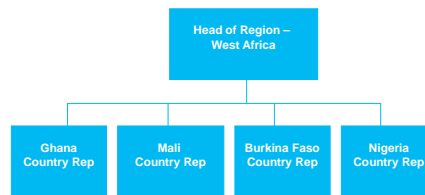


Heads of Region and Country Representatives (cont'd)

International Programme – Asia



International Programme – West Africa



International Programme – Southern Africa

