

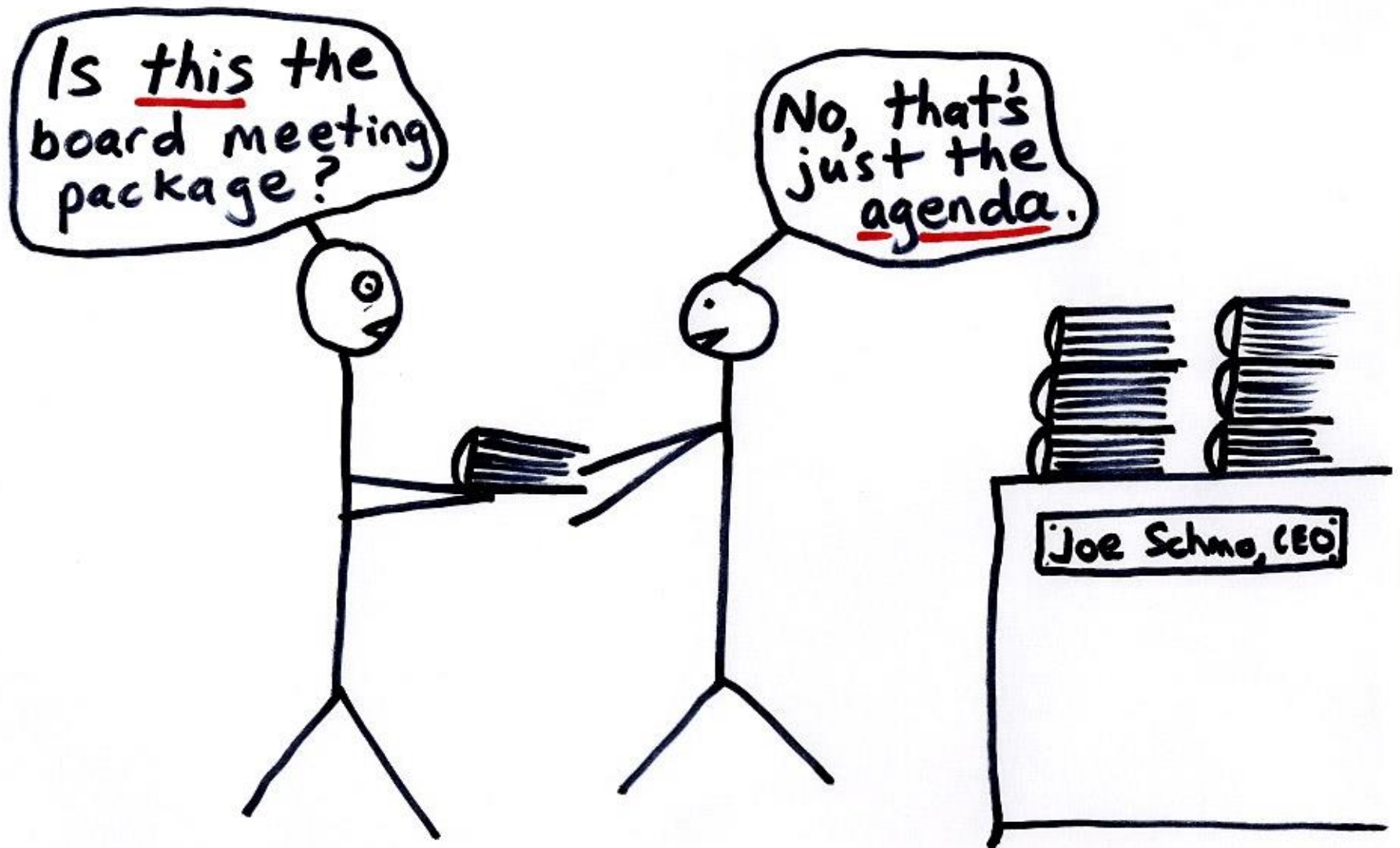
Carmichael.

Improving the quality of Board Packs Good Governance Awards Masterclasses

Diarmaid Ó Corrbuí

31st January 2019
Guiding nonprofits
carmichaelireland.ie

Rethinking the board pack



In the 3 inspector's reports published to-date by the Charities Regulator, trustee failure has been highlighted in each case



If the Board's core roles are about direction, control & accountability ...

What information and decision-making processes does your board use to ensure it;

- asks the right questions and,**
- gets the relevant information to make appropriate and timely decisions and exercise effective oversight?**

If the Board's core roles are about direction, control & accountability ...

When was the last time the Board had a critical look at its decision-making systems?

- **Are they fit for purpose?**
- **What is working or not?**

If you were to redesign the board pack from scratch what would it look like?

- Guiding principles
- Key design features
- Critical areas of focus
- Key actors/roles in preparing, coordinating, circulating and leading the discussions at board meetings

Common criticisms of board packs

- Too long
- Too late
- Too time consuming
- Too inward looking
- Too backward looking

- Not sufficiently relevant
- Not sufficient for effective oversight
- Not aligned to the needs of the board
- Not strategic enough
- Hard to see the wood for the trees

Quality of board packs: Survey key findings

- **Current standard of board reporting is not of a high quality.**
- **Responses suggest that areas frequently not addressed in board packs include; Status against strategic KPIs, risk assessment and executive summaries.**
- **Board pack content, relating to risk or the wider environment pertains to only 14% and 9% of the board pack respectively.**
- **Almost 15% of organisations rarely or never use KPIs to judge whether the organisation is achieving its strategic objectives.**

Quality of board packs: Survey key findings

- **72% of respondents felt that the quality of strategic information contained within the board pack could be improved.**
- **Up to 48% of respondents indicated there was room for improvement in the quality of financial information in their board packs.**
- **24% of respondents stated that their organisation does not receive monthly financial accounts.**
- **42% indicated that the information in their board packs could be unreliable.**
- **Over 75% indicated that they would be very likely or likely to look at utilizing board pack dashboards.**

Rethinking the board pack

What should be in the board pack and why?

Should it vary from meeting to meeting?



Board meeting reporting cycle



Source: ICSA and Board Intelligence 2018

Standard board pack contents

- Agenda (specifying items for approval/discussion or information)
- Table of Contents
- Minutes from previous meeting
- Executive Summary (Key points/recommendations: Separate sections and bullet points)
- CEO/Management Report
- Financial, Strategic
- Fundraising (if applicable)
- Operational
- HR, Risk, Governance, IT, Communications
- Glossary of any technical terms

Board pack checklist (1)

1. Board packs are circulated no later than 7 days before the board meeting date.
2. A “house style and format” has been established.
3. A bespoke board pack template has been produced to cater for the specific needs and requirements of the board and is used by the chair/secretary when producing the board pack.
4. All papers address their purpose i.e. for decision/approval or information.
5. All board members have read the contents of the board pack prior to the meeting.



Board pack checklist (2)

6. The “board meeting reporting cycle” is followed.



7. Performance indicators used in the board pack are regularly evaluated in order to improve strategic and future-oriented discussions within the board room.



8. The trustees are given access to accurate and up-to-date financial information to enable them to make proper decisions.



9. Board training is provided on a regular basis.



Carmichael.

www.carmichaelireland.ie

Guiding nonprofits
carmichaelireland.ie