Management and Consultancy Project with the US Network

Report for the Welsh Assembly Government

Mental Health Foundation

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EXECUTIVE SUMMARY

Service user involvement is no longer an optional extra, a tick box exercise or token measure aimed at appeasing one of many stakeholders. Rather it is absolutely core to developing and delivering credible, sustainable, and above all, useful mental health policies and practice across Wales.

Both the Welsh Assembly Government and the US Network are to be commended for applying time and effort to this issue, and for identifying some serious underlying problems with the current situation.

During our discussions we received views from over a hundred people across the country and found a remarkable degree of agreement about both the problems that exist and solutions needed to deal with them. This needs to start with the Welsh Assembly Government offering genuine, sustainable and public support for the network. In return, the Network needs to make a clear commitment to address not only the genuine problems it faces, but also a commitment to a new transparency so that improvement is not only made, but seen to be made.

The biggest challenge of all is that of broader engagement. Today, too much is expected of too few people. The net result is both a high risk of burnout for the current board, and the external perception of the Network as a clique. The quickest and most sustainable way to alter this, is to make the US Network more of a hub for the many existing local groups around the country. This will have the additional benefit of increasing the geographical reach and general diversity of the Network and give the Welsh Assembly Government a much broader base of service user voices.

INTRODUCTION

In autumn 2005 the Welsh Assembly Government invited expressions of interest to undertake management and consultancy services to the US Network which is currently entirely funded by them.

The current Mission Statement of US is as follows:

- To promote the relief of persons with mental health problems by assisting with economic integration and social inclusion
- To provide information on mental health issues through newsletters and various publications
- To encourage providers of mental health services to involve people who use those services in planning
- To support the development of self-help, advocacy and self-advocacy groups at local level in Wales
- To enable persons with mental health problems to obtain his or her rights
- To undertake any research projects and to publish the results and conclusions of such projects
- To arrange conferences, workshops, training, seminars, and other educational events on mental health and related issues alone or with others.

Monitoring of US and feedback from various stakeholders had raised various areas of concern. The aim of this consultancy therefore was to ensure that the organisation was fit for its stated purpose and build their capacity in the following areas:

- Business management skills including leadership, decision making, work planning and project management, cross sector working, performance management, review and evaluation, marketing, promotions and communications
- Financial management skills including developing financial systems, accounting, producing management information, reporting and audit.

The Mental Health Foundation successfully tendered for the project and identified the objectives of their work would be as follows:

- Identify and agree key development and support needs to guarantee a sustainable organisation and wider network
- Prioritise these needs to establish immediate action points
- Develop a programme to deliver immediate support and development needs
- Where appropriate, recommend areas for further organisation and network development.

The work was carried out by:

David Crepaz Keay   Mental Health Foundation lead and trainer

Lisa Haywood   Project manager and trainer

Mary Nettle   Researcher

Clare Jeffery   Communications Consultant

METHODOLOGY

1. **Meeting between the WA, MHF and US** to establish common understanding and the parameters of the work.

2. **Needs assessment.** This aimed to identify current good practice; expectations of US – those currently being met and those that should/ could be met in the future and to clarify the existing situation regarding the areas outlined as of concern by the WA and other stakeholders:

    700 Questionnaires were devised and sent out to elicit information from a wide range of stakeholders including the WA, and service users and other stakeholders both within and outside US.

    Meetings were held with the WA, the US Network, groups in both the North and South of Wales with service users and other stakeholders.

3. **Prioritisation** of development needs from analysis of the responses to the questionnaires, the meetings and from the US Network at the training sessions.

4. **Delivery of three 2-day training sessions** at the US network offices in Neath.

5. **A Report** on the activities with recommendations for further action.

FINDINGS

1. The Questionnaire

700 hundred questionnaires were sent out. 97 completed questionnaires were received.

Appendix 1 – Responses from questions 2 and 3 of the questionnaire (Full document Appendix 1)

2. We need to find out what the US Network doing well and not doing so well in order to publicise the strengths and help with some of the weaker areas.

Please tick what you think about the US Network and its work for each statement given below.	Well/ very well	OK	Not so well/ not well at all
The US Network represents service users from all areas of Wales	12 **9%**	19 **31%**	30 **44%**
The US Network is able to provide meaningful input into the Welsh Assembly mental health policies and guidance	11 **16%**	36 **52%**	21 **30%**
The US Network engages and represents the diversity of mental health service users in Wales including young people, older people, people from black and minority ethnic communities	12 **20%**	14 **23%**	34 **56%**
Is sustainable in the long-term – (e.g. will still be around in 2010)	15 **25%**	12 **20%**	25 **41%**
Has clarity in decision making – (e.g. everyone understands how decisions are made and by whom)	6 **11%**	11 **20%**	37 **68%**
Has clear work plans (e.g. doesn't just do the same work, but makes plans for the future which are clear and both US and WAG can see what will be happening in the future)	9 **17%**	17 **32%**	26 **50%**
Has clear financial systems (e.g. both WAG and US can see how money is spent; who is responsible and accountable for the grant; what systems are used to show WAG how the money is spent)	9 **17%**	18 **34%**	23 **44%**
The US Network works with people in the voluntary sector, the statutory sector and the private sector	12 **22%**	16 **29%**	26 **48%**
Has clear governance (e.g. a Board or Trustees etc who oversee the work and finances)	10 **19%**	20 **39%**	21 **41%**
The US Network monitors and reviews what it does	10 **38%**	20 **40%**	20 **40%**

Questions for service users only

3. About the US Network Do you know……..?

	YES		NO	
Who the leadership of the US Network are	21	**35%**	39	**65%**
What work the US Network does	17	**28%**	42	**71%**
Where the Us Network gets its money from	28	**46%**	32	**53%**
What the US Network spends its money on	6	**10%**	50	**89%**
How to find out what the US Network does	18	**31%**	39	**68%**
How to contact the US Network	26	**45%**	31	**54%**
What the structure of the US Network is	8	**14%**	48	**56%**

2. Meetings in North and South Wales with service users

13 service users attended the meeting in Cardiff.
8 service users attended the meeting in Llandudno.

The meetings in Cardiff and Llandudno were largely attended by people who had either never heard of the US Network (about a third) or who were disaffected with them for a variety of reasons (two thirds).

3. Issues identified by the questionnaires, the meetings and by the training with the US Network

Good practice

There is evidence in the statistics above and in the training workshops of the good work that is currently being carried out by the US Network. This includes:

- The current US Network group are clearly committed to their work and each member puts a large amount of time and effort into keeping it going.
- They have maintained and sustained the organisation through a period of considerable difficulties.
- There have been very well attended public Annual General Meetings.
- Theatre workshops have been run across the country/ open space forums.
- There has been regular contribution to Welsh Assembly policy and planning.
- Central resource for service users.
- A regular newsletter has been produced.
- Ad hoc research has been undertaken.
- Some one-off publications have been produced.
- The US Network Directors were receptive and open to the new and sometimes challenging ideas of the Mental Health Foundation external workshop leaders and were very willing to take on ideas for development.

Areas that needed more work

These fall under three main headings:

1. Performance management

The outside perception of the work of the US Network is a major problem which is exacerbated by the lack of transparency of monitoring and performance management systems.

More detailed work is required on performance management systems including covering both finance and operational activity – in particular financial reporting and transparency regarding the use of the WA grant, what activities are undertaken, how are they decided on, by whom and what are their outcomes and impact. This must include Equal Opportunity monitoring and the use to which this information is made.

Systems also need to be set up to systematically invite and welcome feedback, suggestions and criticisms and use these to guide and inform activities. The Complaints policy and procedure needs reviewing and updating.

2. Representation of service users across Wales

A significant number of service users in Wales either did not know that the US Network existed or how to contact it/get involved with it if they did know.

More work is required on publicity; promotion; networking; visibility; clarity about what the US network does and does not do; improving the newsletter to include more factual information about the US Network and national and local mental health issues; inclusion of other groups, particularly input from black and minority ethnic communities; membership and election systems need updating.

There are no regular systematic methods for consultation with the range and diversity of service users in Wales regarding national policy planning and implementation of legislation and guidelines. There is therefore no way of ensuring that the user voice was being correctly represented in the Welsh Assembly.

More work is needed on systems for regularly and systematically consulting with the whole range of service users in Wales and enabling them to participate more fully and directly with the Welsh Assembly. Eg. If a consultation document is out for consultation on problems around refugees, the system should be already set up which will enlist and engage those service users who are directly affected by the issues and enable/ train them to participate fully and meaningfully in discussions.

3. Strategic vision

There is a significant lack of clarity about realistic strategic planning – the 'who, what, why, when' of how activities will be carried out.

The organisation needs to embark on a review of its governance arrangements. This should include a review and update of the Mission Statement; aims and objectives and systems for ensuring that outcomes and impact is monitored against these; systems for attracting and enabling the range of service users in Wales to join the membership and the Board; clarity and transparency of how decisions are made; the role of the Chair and honorary officers; etc.

The Board in full consultation with its stakeholders needs to produce a realistic Strategic Plan supported by a detailed Business Plan

The US Network needs a wider diversity in its funding base in order to be able to achieve its stated aims and this must be part of any future plans.

TRAINING

7 people attended all three workshops including the Chair, Treasurer, Directors, administrator, a carer, the US Network independent advisor.

Workshop 1   16-17th January 2006

- 1st session – General discussion on the purpose and history of the consultancy training from the Mental Health Foundation/ clarifying the parameters of the training/ agreement on the way forward.
- 2nd session – homework. US network, divided into two groups completed real fundraising applications
- 3rd session – analysed completed applications and identified areas for development which included greater transparency and performance management systems including financial reporting and planning; activity data recording; EOP understanding of policy and implementation; diversifying funding base; sustainability;
- 4th session - Identifying priorities for the next two training workshops (Appendix 2)

This workshop was followed up by provision of:

- Fundraising Checklist (Appendix 3)
- Guidance for additional sources of information (Appendix 4)
- Link to LVSC website for "Developing and Implementing an Equal Opportunities Policy"

Workshop 2   6-7th February 2006

- 1st session – Reviewing previous workshop
- 2nd session – Governance introduction followed by 2 groups exercise identifying strengths and weakness by completing 6 point health check adapted from the Charity Commission guidelines (Appendix 5)
- 3rd session – Homework completing the exercise
- 4th session – Reviewing strengths and weaknesses and identifying areas for further action
- 5th session – Work on essential and desirable criteria for Trustees
- 6th session – Preliminary work on external communication
- Homework for the next workshop to review the Mission Statement

This workshop was followed up by provision of the following sample/ template documents:

- Board of Trustees
- Guide for Members – Appendix 6 including Code of Conduct; Role Description for Trustees; Person Specification for Trustees.
- Trustee Contract (Appendix 7)
- Trustee Declaration of Eligibility (Appendix 8)
- Conflict of Interest Guidance and Policy (Appendix 9)
- Trustee Skills Audit (Appendix 10)
- Board self-appraisal (Appendix 11)

Plans were also made for the US Network's independent advisor to take forward work on business planning and presentation skills

Workshop 3   27- 28th February 2006

- 1st session – Completing Mission Statement
- Presentation to the Welsh Assembly representative
- 2nd session – Work on communications strategy to include the newsletter, website, email for publicity and consultation
- 3rd session - Building alliances – particular focus on other groups including user groups; minority ethnic communities; young people; women and the prison population
- 4th session – development of consultation mechanisms

RECOMMENDATIONS

The US Network has been working to support users in Wales for some time with some notable successes. However it has reached a point in their development where their lack of formal organisational skills and experience is resulting in difficulties in achieving its Mission in a number of areas. The consequence of this has been a certain amount of negative feedback. The consultants employed by the Welsh Assembly have found that the US Network group of Directors have been very willing to accept that there were certain weakness in the organisation – in fact they identified many of these themselves. They have worked hard in the three workshops and significant steps forward were taken to address the problems. However there still needs work on putting short and long term strategic plans in place supported by a detailed business plan to ensure that the organisation is fit for purpose, is sustainable and has the resources of time, funding and expertise to achieve its Mission.

The recommendations below are based on the findings (Page 5 above) from the questionnaires, the meetings across North and South Wales with other service users, and discussion and training with the US Network and offer an outline timetable for development starting with the basics.

We are recommending that the development of the US Network should have a staged approach. It is essential that a period of consolidation and production of strategic aims and objectives needs to be completed to give direction and coherence to any growth.

Stage 1 – Consolidation

- The Welsh Assembly Government needs to provide the Network with firm but consistent performance management. Expectations need to be clear and measurable and regularly monitored. They need to be realistic and achievable on the resources available.
- The Mission Statement needs to be reviewed, clarified and consulted on by a wide range of stakeholders across Wales.
- A skills audit must be carried out with current Board members and gaps in essential skills identified.
- Recruitment should be carried out across Wales to fill these gaps. The recruitment process must be transparent and against essential and desirable criteria.
- The role of the Chair needs to be defined and an emphasis placed on the responsibility of this position to concentrate on consolidation and co-ordinating an effective Board that can deliver the US Network Mission. The current chair needs support to deliver this effectively, some mentoring or shadowing arrangement would be helpful.
- Aims and objectives need to be reviewed and a long, medium and short term Strategic Plan needs to be produced. This needs to be supported by a Business Plan. The short-term aims must be realistic and achievable within the existing resources of time and money.
- Membership lists need reviewing and updating annually with evidence of diversity from equal opportunities monitoring.
- Satisfaction surveys should be carried out annually. These will be used as one of the tools to benchmark progress.
- A review of current activities must be undertaken to ensure that they reflect the Mission and that they reach the widest range of service users in Wales.
- The newsletter needs to concentrate more on providing factual information about the Network; how to get involved; how to make suggestions; government initiatives and how the range of service users in Wales can make their voices heard; sharing good practice across all groups; etc.
- Systems need to be set up to monitor and report financial and organisational activity and EOP statistics.
- The Complaints Policy and Procedure needs updating and publicising. Complaints and actions taken in response to complaints need to be noted and accessible to funders.

Stage 2 – Fundraising

- Diversity of the funding base for the US Network is essential.
- Targeted fundraising needs to be carried out with reference to the Strategic Plan and short, medium and long term aims and objectives.
- The Welsh Assembly Government with the US Network needs to undertake a review of the current funding. The Welsh Assembly needs to provide realistic core costs on an ongoing basis against agreed monitoring and evaluation systems and standards. This grant must be raised in line with annual inflation. The grant should include funding for:

    – Office rent and administration
    – Expenses for the Board – travel, training, and general out of pocket expenses
    – Travel in Wales
    – Newsletter
    – Training costs for service users
    – One off fundraising costs
    – Development of the website with upkeep. This is essential to maintain contact with a wide range of groups and individuals who could/ should be in regular touch with the US network. It is critically important in a country where travel is a particular problem.

- A development worker to take the US Network to the next stage is crucial and the need has already been identified by the US Network.

Stage 3 – Development of the network

- In the longer term, the US Network needs to focus its activities on becoming the central unifying organisation for all service users in Wales. There is a substantial body of work already being done by service user organisations in Wales. A strong and cohesive service user organisation will serve as a source of both support and strength to them while not attempting to replace or supersede them. It will also have a crucial role in encouraging and developing the involvement of groups and individuals not currently represented. Currently the US network is trying and is expected to be to be all things to all people; this is not a credible aim.

- Its role should include:

    – Maintaining a central data base of groups associated with mental health in Wales.
    – Training and facilitating appropriate service users input into planning and policy forums rather than being the sole representative, ie. if the Welsh Assembly seeks views of a particular ethnic group, the US Network will have the relevant information on its database and will broker the request to the appropriate forum.
    – Become a central resource for user groups in terms of information about mental health issues; sharing good practice; facilitating active links between service user groups and individuals; offering practical help such as use of the computer, downloading and distributing documents, a meeting place.

- The Network needs to have a wide-ranging consultation on the issue of aiming to be a service user only organisation. The Mental Health Foundation consultants believe that service user only status will serve to strengthen, define and promote the credibility of the organisation.

CONCLUSIONS

In its current form, the Network is struggling to deliver all that is required of it. This is not unusual for any voluntary organisation and it is only in recent years that governance has been taken seriously in the sector. Though much of the criticism of the Network is fair and has been addressed elsewhere in this report, much of the more colourful criticism is unfounded. Both the Network and the Welsh Assembly Government have acknowledged the problem; they need to make a clear and public commitment to putting this right. The work that we have done can only be a start and much more support is needed.

APPENDICES

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APPENDIX 1

CAPACITY BUILDING WITH THE US NETWORK – Responses from Questionnaires

Please tell us if you are:

A member of the US Network	28
Not sure if member of US Network	5
A board member of the US Network	0
EX Board member	4
An ex member of the US Network	8
Service user not connected with the US Network	20
Member/officer of Welsh Assembly Government (WAG)	14

(12 from an internal mental health development group who had not heard of the US Network)

Advisor to WAG	4
User Group	1
Mental Health Worker	3
Carer	1
Voluntary Sector	3

1.   Do you know what the grant given to the US Network by WAG is for?

Consulting with the US Network on issues raised by the WAG	13
Consulting with the Us Network on it's own issues	10
Consulting with service users who are not in the US Network	3
Employing a co-ordinator	12
Renting office space	14
Supporting service users in Wales	25
Do not know what the grant is used for	30
Any other – please specify	

2.   We need to find out what the US Network doing well and not doing so well in order to publicise the strengths and help with some of the weaker areas.

Please tick what you think about the US Network and it's work for each statement given below.	Very well	Well	OK	Not so well	Not well at all
The US Network represents service users from all areas of Wales	8	4	19	11	19
The US Network is able to provide meaningful input into the Welsh Assembly mental health policies and guidance	6	5	36	6	15
The US Network engages and represents the diversity of mental health service users in Wales including young people, older people, people from black and minority ethnic communities	8	4	14	12	22
Is sustainable in the long-term – (e.g will still be around in 2010)	9	6	12	11	14
Has clarity in decision making – (e.g. everyone understands how decisions are made and by whom)	6	0	11	15	22
Has clear work plans (e.g. doesn't just do the same work, but makes plans for the future which are clear and both US and WAG can see what will be happening in the future)	5	4	17	8	18
Has clear financial systems (e.g. both WAG and US can see how money is spent; who is responsible and accountable for the grant; what systems are used to show WAG how the money is spent)	5	4	18	10	13
The US Network works with people in the voluntary sector, the statutory sector and the private sector	7	5	16	12	14
Has clear governance (e.g. a Board or Trustees etc who oversee the work and finances)	8	2	20	5	16
The US Network monitors and reviews what it does	5	5	20	7	13
Any other – please specify and tick appropriate box					

Questions for service users only

3.   About the US Network

Do you know….....?

	YES	NO
Who the leadership of the US Network are	21	39
What work the US Network does	17	42
Where the Us Network gets its money from	28	32
What the US Network spends its money on	6	50
How to find out what the US Network does	18	39
How to contact the US Network	26	31
What the structure of the US Network is	8	48

Is there any other topic about the work of the US Network you think we should have covered? Please write here (or overleaf if you do not have enough room)

4.   When did the US Network last consult you?

Within the last three months	9
Three to six months ago	9
Six to 12 months ago	6
More than 12 months ago	21

5.   When the US Network last contacted you was it by

Email	0
Telephone	3
Post	39
Face to Face	3

6.   What were you consulted about?

Mental Health Policy	8
Mental Health Services	10
US network administration and management	3
Other (please describe)	

7. How long were you given to respond to the consultation?

One week	0
Two weeks	8
Up to four weeks	3
Longer than that	4

APPRENDIX 2

Priorities for Training
17th January 2006

BLUE HIGHLIGHT *US to organise internally*	GREEN HIGHLIGHT *To be provided by the Mental Health Foundation consultants*
Group Facilitation	External communication
Presentation & Marketing Skills (PowerPoint)	Governance
Supervision training (in house) - develop a freedom for information policy)	Strategies & Protocol
Being nice to one another - tolerance	Grassroots Networking
	Record keeping and Data Collection
	Business Plan

APPENDIX 3

Fundraising checklist
Leave enough time to make the application. Look at their submission date and plan ahead.
Remember that fundraising applications ALWAYS take more time than you think

Preparation Check out the funder via phone, email, their written material, guidelines etc. You can save yourself time and money by checking out the following:-	
Are you eligible for these funds?	
Check their submission date	
Do you fit within their funding criteria?	
How much money is available?	
What can their money be spent on? Core costs? Project funding? Salaries? Capital items? etc	
The Application Form Always read the whole application form and the guidelines through before you start	
Don't write on the application straight away. Make drafts, show to colleagues or advisors – make sure you get it right before you commit it to paper.	
Answer EVERY question. Where the question is not relevant, put N/A (Not applicable)	
Check if there is more than one part to a question. E.g. "Please tell us what the money will fund, how you know there is a need for it, and how you assessed this need".	
Stick to the limits they put on number of words and space	
BE VERY CLEAR about the purpose of the bid. Remember they are looking at hundreds of applications – yours need to stand out. Don't assume they know anything about your organisation or the content of this funding bid	
Use language they will understand. E.g. don't just put "user". At least once, at the beginning of the application, put "mental health service user".	
Make sure your application is attractive and clear. You need to impress them. Always draft on the computer and always spell and grammar check.	
Back up your case. Give evidence. If for instance you say that "it is known that people with mental health problems have less chance in the employment market", put where this comes from. Research? A government document?	
Include a diversity element to your application. E.g. How will this address the issues faced by different ethnic groups, gender, ages, disabilities, geographical areas etc.	
A successful application takes about 6 months from the application to having the money in your bank account so plan ahead when you consider starting dates etc.	
Be realistic about what you will achieve	
Provide ALL the additional information they ask for – constitution, Equal Opportunities Policy etc.	
Check you have signed the application	
Check how many copies they want you to send.	
Budget	
Itemise EVERYTHING E.g. Salaries, pensions and National Insurance, phones, management costs, any capital items such as computers, stationary, etc	
Add 3% inflation per year to recurring costs such as salaries if your bid is for more than one year	
Check what they will pay for – salaries? Capital items etc. There is no point asking for anything that is outside their specification	
Be realistic about your costs	

Save past applications on your system so you can use the wording and arguments in future ones.

APPENDIX 4

Fundraising

Additional useful information

www.trustfunding.org.uk   A very useful list of potential funders

www.acf.org.uk/linkstrusts   Association of Charitable Foundations. Lists of grant making trusts and practical guidance on good grant making practice

http://www.dsc.org.uk   Information and training for the voluntary sector re: fundraising, governance, budgeting, leadership, staff management etc

www.scmh.org.uk   Sainsbury Centre for Mental Health. Research and information to back up your applications. Also a source of information about developments in mental health policy

www.mentalhealth.org.uk   Mental Health Foundation. As the Sainsbury Centre above. Also the organisation which is managing the capacity building with the US Network - so it might be interesting for you to see where David comes from

APPENDIX 5

Fit to govern: a six-point health check

If a new person came into the organisation, how would you be able to prove that you do the following. Give examples for each of how you do the following:

1.   Mission and values

1.1.   The organisation has a clear idea of its mission and values (e.g. set out in a written statement)

1.2.   The mission and values are regularly reviewed

1.3.   The charity prepares and regularly reviews a written plan outlining the   steps it will take to achieve its mission

1.4.   The mission reflects what is written in the governing document.

2.   Monitoring and standards

2.1.   The Board has agreed, easily understood, and measurable standards for judging whether the organisation is achieving its mission

2.2.   There is an agreed code of conduct for Board members, which is monitored by the Board.

2.3.   The organisation accounts systematically to all of its stakeholders (mainly all service users in Wales and the funders, the Welsh Assembly.

2.4.   The Board has defined policies to guide the organisation's activities.

3.   Capacity to govern

3.1.   The role of the Board, sub-committees and working groups are clearly defined (in writing) including information on how decisions are made and who makes them.

3.2.   The roles of the Chair, Vice-Chairs and Treasurer are clearly defined (in writing).

3.3.   There is a budget for the full costs of the Board, sub-committee meetings, which is regularly reviewed

3.4.   The Board contains a suitable balance of skills and experience to carry out its role effectively.

3.5.   The organisation provides all Directors with an induction programme, practical support and training to enable Board members to carry out their roles.

3.6.   There is a system for regularly assessing the performance of the Board

3.7.   There is a clear and transparent system for how Trustees are recruited

4. Stakeholder participation

(largely all service users in Wales and your funders, the Welsh Assembly)

4.1.   The views of the stakeholders are regularly gathered and considered by the Board.

4.2.   There is clear evidence about how consultation is carried out, with whom and what happens to the information gathered.

4.3.   The organisation systematically explains its activities and decisions to all of its stakeholders in an open and transparent way while maintaining confidentiality where appropriate

4.4.   The organisation welcomes both positive and negative feedback from its stakeholders and has a well publicised complaints procedure

4.5.   The organisation communicates effectively with all its stakeholders.

5.   Financial health

5.1.   The organisation is solvent.

5.2.   There are sufficient reserves.

5.3.   There are effective systems in place for financial management, reporting and accounting.

5.4.   There is effective financial reporting to the Board as a whole.

5.5.   The Board as a whole is competent in taking financial decisions.

5.6.   There is an effective relationship between the Board and the organisation's auditors.

5.7.   There is adequate insurance, which is reviewed annually.

6.   Legality

6.1.   The Board is properly informed and understands its legal responsibilities

6.2.   The organisation meets all its legal obligations.

6.3.   The Board has access to appropriate legal and professional advice where necessary.

APPENDIX 6

BOARD OF TRUSTEES

Guide for Members
Code of Conduct
Role Description
Person Specification

Guide for Members

What is the Board?

The Board is the governing body of US Network. It is responsible for all US Network's activities and affairs.

The US Network is a registered charity and all members of the Council are Charity Trustees. The US Network is also registered as a company limited by guarantee. Members of the Board are also Directors of the company.

What does the Board do?

Members of the Board have four main duties:

1. A duty to set the direction and policies of [the organisation]

The main role of the Council is to ensure that the US Network has a clear purpose and direction for its work, and pursues that purpose effectively. The Council sees to it that the US Network is in touch with current mental health issues, consults with users about their experience, and is clear about its response to issues of concern.

Members of the Council of Management are required to read, understand, interpret and apply the objects set out in the Memorandum and Articles of Association:

(i)   Put your Charitable aims as set out in your constitution

The Council discusses and agrees the policy framework, the long-term plans and the strategy that will be used to implement them.

2. Responsibility for the employment of workers

The Board is responsible for the employment of workers and must therefore ensure that the US Network has adequate policies and procedures on the recruitment, selection, induction, supervision, training and development of its workers, (including equal opportunities, and health and safety policies).

3. A duty to oversee the effective management of the resources and assets of the US network

The financial and physical resources - including property and equipment - must be well managed and used efficiently and economically. The Board has to be satisfied that the US Network is properly insured and that financial affairs are properly managed. There is a particular responsibility for keeping a finger on the financial pulse through reading and discussions of financial information, budgets and accounts.

4. Accountability to the membership of the US network and others with a legitimate interest

The Council must ensure that the US Network provides reports of its activities to everyone who has a legitimate interest in the organisation - its members, affiliates, associates, funders and others. The Annual Report is particularly important. Reports required by law (such as to the Charity Commission and to the Registrar of Companies) must be made properly and on time.

Establishing a Board that works well

The aim is a Board that:

- is effective and works well together, with shared vision and members who trust one another
- involves people who represent a broad spectrum of experience, perspectives and opinions
- recognises that there will be conflict and disagreement at times, but is able to deal with this and see it as a strength
- uses effective structures that respect and reflect differences
- makes effective use of sub committees and working groups when appropriate
- Regularly (at least annually) engages an outside expert to train on the roles and responsibilities of Trustees

In what way does the Board conduct itself?

The Board seeks to operate in a style that reflects the ethos and objects of the US Network. It should foster open, honest sharing of opinion, trust between members and a collective sense of responsibility for the organisation. The contributions members make will be informed by their own experience. The contribution of members may also be strongly influenced by the experience and views of those who elected them to the Board and this can be a real strength. However, Board members are expected to act at all times in the best interests of the US Network and cannot be mandated by other organisations. Every member appointed to the Board becomes a Trustee of the US Network and takes on that personal responsibility. At meetings of the Board and its committees, members may represent the views of other organisations and groups, but should at all times heed the advice and arguments presented to the Board, and reach their own conclusions on the course of action proposed.

US Network Trustees should sign up to a Code of Conduct statement when appointed

Code of conduct for Board members

Purpose of the Code

The purpose of a code of conduct is to maintain the highest standards of integrity and stewardship, ensuring that the US Network is effective, open and accountable, with good working relationships between Directors, paid workers, users and other stakeholders and funders.

Code:

1. All Directors must act with probity, due prudence and, where appropriate, in accordance with any independent, professional advice that may be offered to members of the Board
2. Directors should not use their position to gain financial or other material benefit for themselves, their families or friends.
3. Directors must not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their duties.

4. Should a conflict of interest arise, a Director must declare the interest and take no part in any discussion or vote.

5. Directors should not behave in ways that could damage or undermine the reputation of the US Network or its staff and should not take part in activity which is in conflict with the objects of the organisation.

6. To be effective, Directors must be willing to prepare for meetings and attend regularly.

7. Any confidential information relating to service users, staff, or business meetings must remain confidential and not discussed or shared with others.

8. Directors must act fairly and in accordance with good employment practice and equal opportunities in making any decisions affecting the appointment, professional development, appraisal, remuneration or discipline of the workers.

What is expected of members of the Board?

Members are expected to:

- attend meetings of the Board (at present [ ] meetings each year)
- read papers in advance of meetings, and prepare as necessary
- follow through Board decisions that are within their sphere of influence
- attend the Annual General Meeting and any Extraordinary General Meetings

Members are also encouraged to:

- take part in the Annual Conference
- attend the meetings of other user groups in Wales when appropriate and time permits

Members of the Board may also be invited to join in other activities (e.g. contributing to drafting policy papers, information packs and other literature, the appointment of workers, or helping with appeals and fundraising).

In order to develop a working knowledge of the US Network Directors should endeavour to maintain links and keep in touch with the various user forums in Wales by regular visits, phone calls etc. ensuring that these visits are made by prior arrangement with the lead person in that organisation.

US Network Directors

Role of Directors of the Board

To oversee the strategic and general management of the US Network as they relate to:

- the aims and objectives
- the development of strategic objectives
- use of assets
- work within agreed policies and procedures

Directors are expected to own the corporate decisions of the Board.

Directors are expected to undertake duties in a manner that reflects the US Network's values and ethos; and which is open, non-oppressive, respectful, user-centred and committed to equality of opportunity.

Duties of members of the Board

1. To ensure that the US Network complies with the Memorandum and Articles of Association, charity law, company law and other relevant legislation and regulations, and to approve official documents as necessary.

2. To ensure that all activities and expenditure are in pursuit of the US Network's charitable objectives.

3. To contribute to the Board's thinking on strategic objectives and direction, setting policy and a work programme for the organisation as a whole.

4. To evaluate the performance of the organisation in relation to the agreed objectives and work programme.

5. To discuss, advise, contribute to and make decisions in relation to the US Networks' policies and issues of concern to the organisation.

6. To oversee the US Network's financial affairs to ensure financial stability.

7. To oversee the management and protection of the US Network's assets and investments; and to ensure that annual accounts are produced together with a report for the Annual General Meeting and submission to Companies House.

8. To make arrangements for the appointment of workers and to have responsibility overall for the staff employed by the US Network

9. To ensure equality of opportunity is promoted and sustained through all aspects of the US Network's work and relationships.

10. To represent the Board if necessary on internal disciplinary and complaint panels or other panels, and on external bodies by agreement.

11. To be aware of and accept the responsibilities of a charitable trustee and director of a charitable company, to act properly at all times and declare any impediment or interest relevant to the role of trustee.

Trustees have a duty to act within the law and use reasonable care in reaching decisions. Trustees who act with due diligence should not be personally liable were the US Network to be subject to any legal action. Trustees therefore need to read Board papers with care, and be prepared to initiate and contribute to discussions, assist in the provision of advice and guidance, and contribute their particular knowledge and experience to help the Board reach sound and equitable decisions.

Person specification

Essential Attributes

1) An understanding of and a commitment to the US Network's aims, objectives and values

2) Knowledge of, or interest in, mental health issues

3) A willingness and ability to devote the necessary time and effort

4) An ability to think strategically and creatively

5) Good independent judgement

6) Ability to communicate clearly and sensitively and to take part in discussions

7) An understanding or a willingness to assimilate and accept the legal responsibilities and liabilities of trusteeship

8) Ability to work effectively in groups of people from a variety of diverse backgrounds

9) Some understanding of ways in which issues of race, racism, culture, gender, sexuality and disability affect outcomes in relation to mental health services

Desirable Attributes

Skills or experience in one or more of the following areas:

- mental health policy, services or practice
- management of performance
- financial management
- legal matters
- human resources management
- campaigning
- public relations and marketing
- information technology
- work within the context of diverse communities

APPENDIX 7

Sample trustee contract

Trustee Contract between _____ and _____.You have been elected onto the trustee board with effect from _____. You can serve for three years, with an option for re-election for a further three years, after which you will have to step down from the board. You may reapply to join the board after one year, but re-election is at the board's discretion.

1. Should you at any time wish to resign from the board you should do so by writing to the Chairperson of the board. Reasons should be given if they relate to the organisation and its activities.

2. Should you not attend 3 consecutive meetings of the board without giving apologies, you will automatically lose the right to be a trustee.

3. You have the right as a trustee to:

   - Have equal status and voting rights with all the other trustees
   - Receive training which relates to any area of the board's work

4. Your individual responsibilities are to:

   - Attend trustee board meetings regularly. If you are unable to attend you should give your apologies to the chairperson;
   - Understand and be fully committed to the aims and principles of the organisation
   - Challenge all incidents that contravene the organisation's equal opportunities policy;
   - Take a share of the board's work by offering to work on a sub-committee of the board;
   - Support all decisions once they have been agreed by the board;
   - Respect the confidentiality of board matters and discussions.

5. An induction programme will be organised for you which will help you to get involved in the board. In addition the organisation will provide opportunities for you to meet other trustees, members of staff and familiarise yourself with the organisation, its policies, plans and financial status.

6. Your joint responsibilities with all the other trustees are to:

   - Accept legal responsibility for the workers of the organisation;
   - Act as employers for the workers of the organisation;
   - Decide overall policy for the organisation's work within the guidelines laid down by the members;
   - Be satisfied that within the constraints of resources, the organisation is meeting its aims;
   - Take a long term view of how the work of the organisation should develop;
   - Try to ensure that funding for the organisation continues;
   - Ensure that all trustee responsibilities delegated to paid staff and individual members of the organisation are carried out.

7. Trustees are required to declare any interests which may result in conflict while they are serving on the board.

Board member's declaration

- I have read and understood the provisions of the trustee contract
- I have received and read the induction material for new trustees and understand my duties and responsibilities as a trustee
- I undertake to familiarise myself with the organisation's policies, objectives, plans and financial position.
- I shall declare all conflicts of interest as and when they arise. If at any time these conflicts hamper my ability to perform my role as trustee, I shall resign from the board.
- I shall keep all the proceedings at trustee meetings confidential and shall not discuss any of the issues with the press / media without clearance from the Chairperson.

Signed ……………………………………………………. Dated ……………………………………………………………………………..

APPENDIX 8

Sample trustee declaration of eligibility

I declare that:

- I am over age 18.
- I am not an undischarged bankrupt.
- I have not previously been removed from trusteeship of a charity by a Court or the Charity Commission.
- I am not under a disqualification order under the *Company Directors' Disqualification Act 1986*.
- I have not been convicted of an offence involving deception or dishonesty (unless the conviction is spent).
- 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 of [name of organisation] in good faith and in accordance with the law and within [name of organisation]'s objectives / mission.
- I do not have any financial interests in conflict with those of [name of organisation] (either in person or through family or business connections) except those which I have formally notified in a conflict of interest statement. I will specifically notify any such interest at any meeting where trustees are required to make a decision which affects my personal interests, and I will absent myself entirely from any decision on the matter and not vote on it.

Signed: _____ (Name of trustee)

Date: _____

APPENDIX 9

Understanding conflict of interest

The importance of understanding conflicts of interest and developing a policy on conflicts of interest is because in many ways a charity's most valuable asset is its good name.

The legal background

The duties and legal responsibilities of trustees include:
- At all times, to act in the best interests of the charity
- Not to benefit from his or her office as a trustee - other than to the extent permitted by the constitution
- Not to put himself or herself in a position where his or her interests conflict with those of the charity

The law is quite clear on the point. Irrespective of the way in which a trustee comes to be appointed, while acting as a charity trustee his or her first duty is to the charity. All other loyalties must be put to one side.

If this is not possible, then the organisation should engage its procedures on conflicts of interest.

If this is simply not possible, or if the conflicts are so frequent as to limit a trustee's usefulness as a trustee, then they must stand down from one of the posts.

Conflicts are difficult

Although these duties can be stated without much difficulty, putting them into practice can be much more complex. Take for example, the case of the trustee who, at a dinner party, sits next to a successful businessman. She chats to him in an animated way about the work of the charity of which she is a trustee; the charity runs hostels for young homeless people. She regales him with stories of the daily miracles they perform to keep the charity's services going on a budget that is roughly comparable with his wife's dress allowance.

By the end of the evening the company director and wife are both brimming over with enthusiasm for the work of the charity and determined to get involved. A couple of days later a large cheque arrives in the post from her dinner companion's company together with a note from him inviting the trustee to meet his fellow board members to discuss the possibility of her being offered a highly prestigious (and not at all badly paid) non-executive directorship on his board - he thinks that she might have a thing or two to teach his colleagues about keeping the company's overheads down.
And then it all starts to go horribly wrong - the man is on the board of a large drinks company and the charity is only too well aware of the alcohol-related problems of many of its clients. The charity very badly needs the money but would accepting it be in the best interests of the charity? If the trustee turns down the funds, will she lose the chance of that tempting non-executive post?
To help identify potential and actual conflicts of interest, it may be useful to divide them into two categories: *personal interest conflicts* and *"divided loyalty" conflicts.*

Personal interest conflicts

Here are some examples:
- The post dinner party conundrum of our well-heeled (but hypothetical) trustee is an example of the personal interest conflict. Provided the charity does not upset her dinner companion, she stands to gain a very attractive and possibly lucrative part-time job. Although the job is by no means certain, even if the accept the money, the conflict of interest is nonetheless very real.
- The professional who believes that the firm of which he is a partner (and in whose profits he shares) would be best placed to meet the legal or accountancy needs of the charity
- The user-trustee who believes that the charity is charging too little for its services, but who will be badly hit if the rates are increased

- Trustees of a charity which is facing serious financial difficulties - do they struggle on, even though they know that this will mean many frustrating hours spent trying to raise enough money to pull the charity through, or do they take the much easier option of pulling the plug while the charity still has its head above water?

Divided loyalties conflicts

Divided loyalties can be just as unpleasant to confront. Take, for example, the case of a trustee who thinks that an architect, who has just completed a project for the charity, did a poor and possibly negligent job. The architect is a close family friend. If the trustee's suspicions are confirmed, the charity will probably have a claim against his friend's professional indemnity insurance, but the price of such a claim is likely to be their friendship.

It is a truism of the charity sector that the people who are prepared to act as charity trustees often take on (or have thrust upon them) responsibilities in other charities or community organisations.

These civic-minded souls can find themselves in difficult circumstances.

For example, if by virtue of being a local councillor, they are nominated to serve on the board of a charity funded by the council how can they possibility deal with the issue of the renegotiation of the charity's grant?

Not just the trustees

Conflicts of interest can occur outside the board, too:
- Patrons - although it can be embarrassing to broach the subject with a very eminent Patron, the consequences of failing to do so can be much worse.
- Staff of the charity - their contracts of employment and/or staff manual should include provisions for declaring and dealing with conflicts.
- Family members, partners or friends of the trustees, Patrons and staff.

The tabloid test

A simple and usually reliable test is the tabloid test: how would this look if it was ever reported by a journalist determined to make the story look as bad as possible?

The next step: develop and implement a policy on conflicts of interest

Sample policy on conflicts of interest

- Any trustee, who has a **financial interest** in a matter under discussion, should declare the nature of their interest and withdraw from the room, unless they have a dispensation to speak.
- If a trustee has any interest in the matter under discussion, which creates a real **danger of bias** , that is, the interest affects their, or a member of their household, more than the generality affected by the decision: their should declare the nature of the interest and withdraw from the room, unless their has a dispensation to speak.
- If a trustee has any other interest 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, but may remain in the room, participate in the discussion, and vote if they wish.
- If in any doubt about the application of these rules they should **consult** with the chair.
- It is recommended that trustee's **interests are listed in a register**.

Examples of good practice

- When trustees become aware of a new, actual or potential conflict of interest, they should **give notice of it to the Secretary** to enable him/her to update the Conflicts Register.

- The Secretary should include in their report for each trustees' meeting details of any **contracts/agreements** to be entered into prior to the next meeting of the trustees and any potential conflicts identified from a check of the Register.
- **Competitive tendering** for contracts or work for which a trustee might be suited (and taking up references from other clients or customers).

Sample form

Conflicts of Interest

As a trustee, you are required to act in the best interests of 'X' charity. However, inevitably, trustees have a wide range of interests in private, public and professional life and these interests might, on occasions, conflict, (for example: Director of supplier or consultant to charity).
We are obliged to review any possible conflicts when preparing our annual report so ask you to supply the following details:

- Has 'X' charity made any loans to you?
- Have you, or people connected with you through family, business or another charity, an interest in a contract or transaction with 'X' charity?
- Have you or any person connected with you derived any pecuniary benefit or gain from 'X' charity?

If these or any other potential conflicts of interest arise, I will inform the Board of this and abide by their decision as to action to be taken

Signed: _____ Date: _____

APPENDIX 10

Sample trustee skills audit

This sample skills audit can be adapted for your organisation's needs and filled in by members of the board. It should also form part of the induction process for any new trustee.

1. What kind of expertise do you consider you bring to the Board? Please tick

- Administration
- Campaigning
- Change
- Conflict Resolution
- Consultancy
- Customer Care
- Development
- Disability
- Equal Opportunities
- Financial
- Fundraising
- General Strategic Planning and Training
- Governance
- History of the Sector
- Human Resources/Training
- Information Technology
- Knowledge of the Community
- Legal
- Management
- Marketing
- Media/Public Relations
- Networks/Alliances
- Policy Implementation
- Property
- Research
- Systems
- Other (please give details)

2. What other experience or skills do you feel you offer?

3. Are there any areas that you feel you need particular help with?

4. Are there any areas of the charity's work you have a particular interest in and/or would like to become more involved in?

5. What motivated you to become a trustee of the charity?

Signed…………………………………………

Date ……………………………………………

APPENDIX 11

Board self-assessment

Evaluation is necessary in order for the trustee board to fulfill its role. The board must assess whether the organisation is carrying out its mission effectively, and, to increase organisational effectiveness.

At least once a year the board should review its own performance, standing back and asking itself the sort of role that it is playing in the governance of the organisation, what have been the strengths and weaknesses in the last twelve months and make plans for the year ahead.

This kind of board review can strengthen governance by:

- identifying criteria for board effectiveness;
- identifying key areas that need improvement;
- measuring progress towards existing plans, goals and targets;
- shaping the future makeup and structure of the board;
- building trust and enabling members to work more effectively as members of a team.

Self-evaluation by individual trustees is also helpful. This provides individuals with the opportunity to evaluate their personal contribution. It could highlight areas of strengths and weaknesses and support needs and areas where individual board members feel best able to contribute. It may well be that after the exercise a trustee may decide that it is time to leave the board.

Good practice

As part of a development programme, organisations should develop a system for board review. A board review should address the following questions:

- How are trustees carrying out their responsibilities?
- What areas need improvement?
- What can be done to make improvements?
- Are the governing and policy documents up to date?
- Are there a sufficient number of board meetings to take care of the organisation's business?
- Is the current committee structure adequate to handle the work of the board efficiently?
- Are board meetings conducted effectively?
- Do meeting agendas cover policy issues rather than administration?
- How can the value of the meetings be enhanced?
- Is there sufficient opportunity for the board to hear about minority opinions before recommendations are presented to committees or the board as a whole for consideration?
- Is the majority of the board involved in making the board's decisions?

Looking at ways to make board meetings effective can help those who chair, serve on, or work with boards to perform their roles more efficiently and effectively.

The evolving board

Many voluntary organisations look at how to attract trustees, but do not look at practical ways to plan succession. The sensitive area of moving on is not often openly addressed by organisations, but this is a critical issue if board members and organisations are to develop and grow.

A board review can provide an opportunity for the board to explore ways of developing a strategic approach to board evolution. 'Moving on' means recognising what skills the individual has contributed to the board, valuing that contribution and leaving the board to make way for new and fresh people. New people bring different but equally valuable skills which are needed for organisational development.

Questions to ask in a board assessment process:

- Does the board have a systematic way of recruiting trustees? Does this lead to a culture of individuals moving on?

- Are there exit strategies and exit interviews for trustees?

Board Assessment of the Organisation

Board assessment of the organisation links into assessment of the Chief Executive's performance and assessment of the board's performance in ensuring that the organisation achieves its objectives. Evaluating the performance of the organisation is unavoidable, as it ensures that something important is being accomplished efficiently. For this reason, it is one of the most basic responsibilities of the board.

The potential benefits are better organisational performance and more effective use of board time and skills.

Key questions to be answered are:

- If we were starting today, would we do it this way?
- How do our actions match our mission statement?
- How are we like and unlike the best in our field?
- What do our intended beneficiaries think of our performance?
- How are the next five years likely to be different?

Good Practice

Evaluation and assessment of the organisation's performance is only useful if the recommendations that the board arrives at are implemented. It is the responsibility of the board and the Chief Executive to make this happen.

Questions:

How do you assess the organisation and its performance?
What criteria or standards are used?

Board Self Assessment Questionnaire

The questionnaire below is designed to help the board assess how well it is functioning and to identify areas where the board as a whole might improve.

Read each responsibility carefully and give each a score. The scoring range is 1 to 4. 1 is Very Dissatisfied, 2 is Somewhat Dissatisfied, 3 is Satisfied and 4 is Very Satisfied. If you are unsure, mark the statement 'NS'.

How satisfied are you that:

1. all board members are familiar with the current mission statement?
2. the board is knowledgeable about the organisation's current activities and services?
3. the board fully understands the external environment in which it is operating?
4. the organisation has developed a strategic plan and is planning adequately for the future?
5. the board focuses its attention on long-term significant policy issues rather than short-term administrative matters?
6. the board has approved an effective marketing and public relations strategy for the organisation?
7. the board understands the fundraising strategy for the organisation?
8. the organisation has developed a sound financial strategy and good financial controls? Does the board discuss thoroughly the annual budget of the organisation and its implications before approving it?
9. the board currently contains a sufficient range of expertise to make it an effective governing body?
10. the respective roles of the board and staff are clearly defined and understood?
11. a written job description clearly spells out the responsibilities of the Chief Executive?
12. the board supports the Chief Executive in his/her role?
13. the board appraises the Chief Executive remunerates him/her appropriately.
14. the board holds effective meetings?
15. the board's size and structure is adequate?
16. the board has adopted policies which enhance its effectiveness (for example conflict of interest policies, risk management policies etc)?
17. the board adds value to the organisation?

Mental Health Foundation

About the Mental Health Foundation

Founded in 1949, the Mental Health Foundation is the leading UK charity working in mental health and learning disabilities.

We are unique in the way we work. We bring together teams that undertake research, develop services, design training, influence policy and raise public awareness within one organisation. We are keen to tackle difficult issues and try different approaches, many of them led by service users themselves. We use our findings to promote survival, recovery and prevention. We do this by working with statutory and voluntary organisations, from GP practices to primary schools. We enable them to provide better help for people with mental health problems or learning disabilities, and promote mental well-being.

We also work to influence policy, including Government at the highest levels. We use our knowledge to raise awareness and to help tackle stigma attached to mental illness and learning disabilities. We reach millions of people every year through our media work, information booklets and online services.

If you would like to find out more about our work, please contact us.

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