



Simon Blake  
Deputy chair, Stonewall

## Ensuring board diversity



## IN THIS ISSUE

- 01 10 steps to board diversity ▶
- 03 Building trust: from wealth to health ▶
- 04 Values-based leadership ▶
- 05 Introducing the CT CultureScan ▶
- 06 English Heritage: the journey to self-sufficiency ▶
- 08 Place-making: investing in local communities ▶
- 09 Unlocking the power of social value ▶
- 10 NSPCC under the microscope: applying the Charity Governance Code ▶ 
- 11 Governance: comparing the charity, sports and corporate codes ▶
- 12 Number crunch: the power of data to improve lives ▶
- 13 Living Wage: low pay in charities ▶
- 14 Safeguarding initiatives ▶
- 15 Crisis: 10-year plan to end homelessness ▶
- 16 Housing First: using demographic data ▶
- 17 Innovative funding solutions ▶

Stonewall is the UK's leading LGBT charity. We champion diversity in its broadest sense: gender identity, sexuality, age, ethnicity, ability and disability. We believe that diversity brings strength and creativity – and that applies at board level too.

Since becoming deputy chair at Stonewall I have chaired the Nominations Committee for two trustee recruitment rounds. One is complete and currently we are halfway through the second. So how are we practising what we preach?

### Diversity of experience

When I first became involved in charity governance about 20 years ago there was a pretty standard formula for board composition: at least one accountant, lawyer and HR professional. Professional expertise was seen as more important than experience. The phrase 'expertise through experience' was neither widely used nor understood.

Thankfully that time has now passed. While charity boards remain overwhelmingly white and older than we would like, charities recognise the need for diversity of experience, thought and characteristics, as

### Welcome to CT Brief – Charities edition!

This is the third issue of our special edition CT Brief for charities and comes at a time of lively debate in the sector about culture and values. With a new code of governance in place, the sector is responding positively to meeting its demands. We hope this publication reflects the kind of issues that may be important to you.

To discuss how we can help your organisation, please contact:

- Liz Zacharias [liz.zacharais@campbelltickell.com](mailto:liz.zacharais@campbelltickell.com)
- Alice Smith [alice.smith@campbelltickell.com](mailto:alice.smith@campbelltickell.com)

Stonewall believes diversity of experience is of equal importance to diversity of professional expertise

**“Diverse boards bring different viewpoints and experience, helping to manage risk effectively”**

much as technical skills in order to have full impact.

Diverse boards bring different viewpoints and experience, helping to manage risk effectively; but they do not happen by chance. Deliberative action is needed to

Continued on page 2 →



iStock

Continued from page 1  
understand the range of skills and lived experience that would strengthen your board, and then ensuring that your recruitment strategies deliver on those requirements.

At Stonewall we have followed some key principles (see box, right: Building a diverse board: 10 key principles). So, what impact has this approach had?

**Visible benefits**

The benefits of different skills, life experiences and ways of thinking are really apparent on our board. With the skillful chairing of Jan Gooding, who facilitates inclusive discussions where members are heard, we have made thoughtful, often bold decisions with confidence.

We have challenged each other harder than in boards where there is ‘groupthink’. Because we value difference, we sit reasonably comfortably with different opinions and trust it will add strength to decision-making. Trustees know their contribution is valued and are confident in expressing their views.

Our board is increasingly diverse, seeking to reflect, as much as is possible in 10 people, the diversity of the communities we represent. There are, of course, limitations and that is when we seek outside advice.

**Stronger governance**

At Stonewall we ensure different voices are at the table because we believe it strengthens our governance. It is not a tick-box exercise to fulfil Charity

**Building a diverse board: 10 key principles**

- 1 Skills audit:** Since its inception 30 years ago, Stonewall has identified the importance of maintaining gender balance in the board’s composition. In recent rounds we have built on this by undertaking a skills and experience audit.
- 2 Experience:** We define the lived experience and skills we want. In the current recruitment this includes women, BAME candidates, trans and non-binary lived experience, marketing and communications, digital and trade union/membership expertise.
- 3 Role pack:** We ensure those requirements are reflected in the role pack and efforts are made to reach out to candidates.
- 4 Recruit in bulk:** We recruit for at least three candidates in each round. We can then consider the diversity of experience and skills, and seek to fill skill and experience gaps. This is easier if you recruit multiple trustees at a time.
- 5 Diverse longlist:** We require the recruitment agency to provide a diverse longlist of candidates. We collect and monitor the diversity data of applicants to understand who we are reaching.
- 6 Challenge bias:** We ensure the interview panel challenges our biases throughout the selection process.

- 7 Reflect:** We do not make immediate decisions. Giving ourselves time to reflect helps eliminate bias.
- 8 Socialise:** We spend time outside the board at an annual awayday, supper and an extended summer meeting with social time to help us understand what makes us tick.
- 9 Trustee review:** We are reviewing trustees’ experiences to ensure they feel able to participate fully.
- 10 Chair review:** We carry out a 360-degree review of the chair on an annual basis. This review includes questions about facilitating different perspectives.

**“Trustees know their contribution is valued and are confident in expressing their views”**

Commission guidance and we don’t have quotas. From that ambition falls a set of deliberative actions to ensure we do our job of governing

the charity to meet the needs of those we work with and for, as diligently as we can.

Building diverse boards is a journey for all charities. It cannot be left to chance.

To discuss the issues raised in this article, contact Radojka Miljevic

[Radojka.miljevic@campbelltickell.com](mailto:Radojka.miljevic@campbelltickell.com)

**THE DIARY**

**NHC Northern Housing Strategy Conference**

15 November | Leeds

CT director Maggie Rafalowicz will be chairing this Northern Housing Consortium conference, which will cover a wide range of strategic housing priorities.

**CT Risk & Assurance Masterclass**

15 & 22 Nov | Manchester & London

Join CT partner, Sue Harvey and

director, Jon Slade, along with great guest speakers, for a Risk & Assurance Masterclass.

**NIFHA Finance Conference**

5 December | Belfast

This year’s event will address the key issues impacting on the finance and treasury teams across the housing association network. CT is a sponsor of the event. David Williams, Kathleen McKillion and Nicola McCrudden will be attending.

**Social Housing Annual Conference**

5 December | London

This conference brings together senior housing professionals to discuss the latest strategic challenges facing the sector. James Tickell will be speaking on how to deal with problem cases.

Find out more about all of these events by clicking here: [www.campbelltickell.com](http://www.campbelltickell.com)



Radojka Miljevic  
Partner, Campbell Tickell

## Building trust: from wealth to health

CAMPBELL  
TICKELL

The global financial crisis of 2008 was a watershed moment for governance. Following on from other corporate scandals, it more firmly focused thinking about how clever people sitting around a table could (and clearly still do) get things so wrong.

That moment in time was a catalyst for good governance practices across sectors that are increasingly now taken for granted: the focus on skills, on diversity, on collective responsibility, on board renewal, on evaluation, and on risk and assurance. Ten years ago I'd never heard the word 'assurance' used in this context, but now it has become a regular part of our governance vocabulary.

### Crisis brings clarity

What is the wider learning? Perhaps that crises can bring moments of clarity. They give us permission to take more radical steps for change. Whatever the scale of a governance crisis, there always follows a focus on who is making decisions and how, and what information and tools they have to hand. The recent crop of charity sector stories – whether related to fundraising, solvency or safeguarding – is provoking a new wave of debate and re-evaluation, much as 2008 did.

Just as hubris took Icarus flying too close to the sun, so organisations can over-reach themselves. Many boards worry about becoming too remote from the life of the organisation and the people who use its services. Perversely, this worry has become more acute as skills and the quality of debate have improved.

Perhaps the impact of austerity on the charity operating environment, with less public investment and organisations taking risks to counteract that, have moved boards

**“Just as hubris took Icarus flying too close to the sun, so organisations can over-reach themselves”**



into a more abstract sphere. Their understanding of what happens in respect of service delivery is thus more tenuous. The debate at the services committee of today is more like the board of 10 years ago.

### Losing trust

While we understand why this may have happened, it carries dangers, particularly as public trust erodes in a whole range of different types of organisation. We speak of 'groupthink' within a board. But what of sector groupthink – a kind of collective loss of judgement about certain assumptions?

There will be some who think that housing associations have lost sight of their charitable origins or of the day-to-day management of homes. Others that charities have lost sight of leadership and ethics with the recent spate of sexual and safeguarding failures; or that

corporations are out of touch with society generally due to the eye-watering sums paid to chief executives.

### Gear shift

As we look at recently published codes of governance, I see a shift of gear, a closer attention to organisational health and the longer-term impact of each organisation on society more generally. Equality and diversity, and fairness more widely, are more prominent as subjects.

It feels as though we are moving to a new wave of governance thought, with boards and leaders better applying their stated values to how they operate in practice. They will need to know their organisations – not just in terms of 'wealth' and what secures their income streams – but in terms of 'health', and how a strongly aligned internal culture can foster real success and public trust.

**A spate of recent scandals have damaged public trust in charities**

To discuss the issues raised in this article, contact Radojka Miljevic

[Radojka.miljevic@campbelltickell.com](mailto:Radojka.miljevic@campbelltickell.com)



Vicky Browning  
Chief executive, Acevo

## Leading with values: creating a safe organisational culture



The reports of abuse, harassment, bullying and exploitation at charities brought to light earlier this year appal me and every other civil society leader who goes to work each day with the intention of making the world better.

The people who engage in this behaviour are so far removed from the inspiring, generous, caring individuals that I meet on a daily basis – and who make up the majority of the charity sector – that it is tempting to respond to reports of abuse not by focusing on the poor behaviour of the minority but on the brilliant work of the majority.

In this context, I hope you will read the ACEVO publication *Leading with values: creating a safe organisational culture*. This was written in July 2018 as part of a cross-sector project developed in response to the Charity

Commission's domestic charity safeguarding summit.

The report highlights three pillars of moral leadership that will enable leaders to create safe workplace cultures in which unacceptable, abusive or bullying behaviour is dealt with before it can escalate (see graphic below).

### Open conversation

In order to enable and facilitate this kind of moral leadership and to reduce the risk of future harmful behaviour occurring, there needs to be an open conversation about the processes, behaviours and attitudes that are embedded in society and contribute to inequality. This includes acknowledging the fact that the majority of the reports of misconduct and abuse that have emerged over the past six months involve a female victim and a male perpetrator.

This is not a problem unique to



ACEVO's report highlights three pillars of moral leadership

charities; this is a societal problem caused by gender inequality. Charities should be held to a higher account because they are values-led, but they are part of society, not removed from it.

Good leadership is selfless; it is about collaboration, generosity, transformation and empowerment. Good leaders are highly skilled,

but they recognise the value of the team and most importantly of the people they serve. Good leaders seek to work collectively and mobilise others.

These are the characteristics that create leaders, not figureheads, and it is leaders who will make our workplaces safer.

To discuss the issues raised in this article, contact Gera Patel

[Gera.patel@campbelltickell.com](mailto:Gera.patel@campbelltickell.com)

# 1

## Be values-led

Values must be authentic, relevant to the work of the charity and resonate with the staff team. Once values have been set, they have to be lived. This means they have to be clearly articulated, communicated internally and actively demonstrated in the conduct of all those working in a charity. Values should be the golden thread that runs through all decision-making in the charity.

# 2

## Model ethical behaviour

Culture is modelled from the top and created through action. It is not enough to do a piece of work on values, put the values into policies and procedures and communicate them to staff, but then act in a way which counters those policies and values. How a leader chooses to use their time and distribute resources is noticed by the team, and team members will set their own priorities in response.

# 3

## Nurture a culture of continuous improvement

Leaders should encourage open, honest, constructive conversations about areas of disagreement which will enable each staff member to feel that their voice is valued and listened to. This will create a culture in which staff and volunteers are not afraid to challenge the status quo.

# The Culture Club

Campbell Tickell innovation

CAMPBELL  
TICKELL



**James Tickell**  
*Partner, Campbell Tickell*

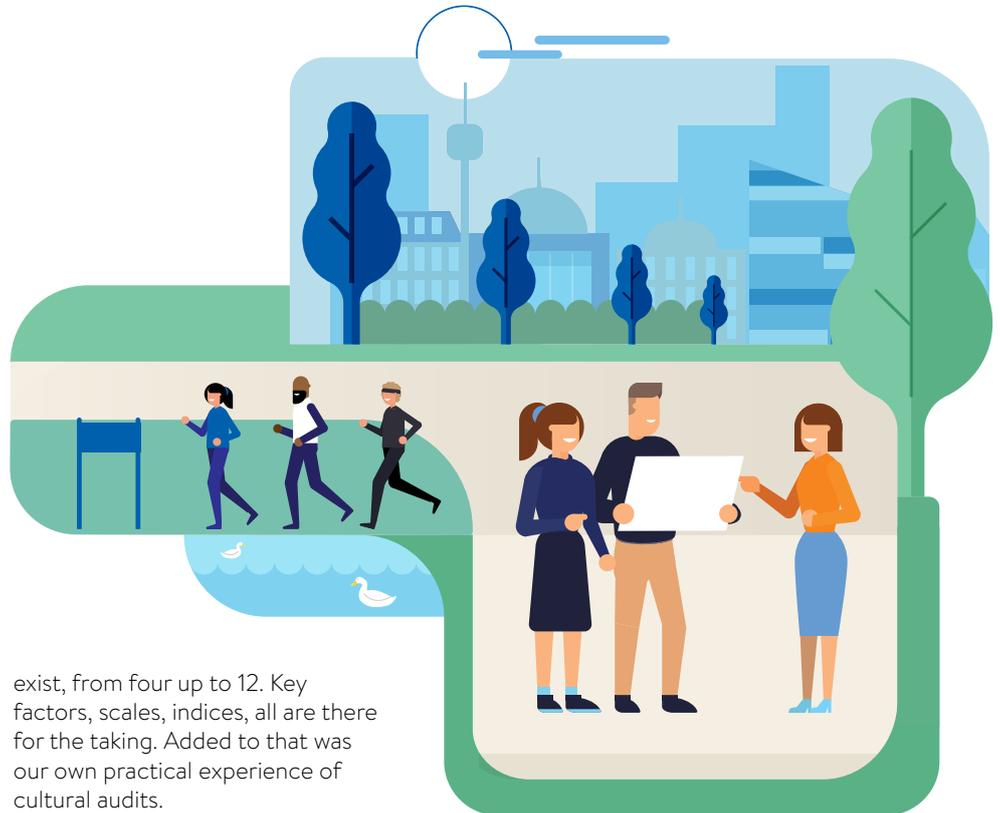
**A** few years ago, nobody talked much about organisational culture. Now things have moved on and a nod to the importance of organisational culture is pretty much obligatory for management writings. More importantly, leaders and boards know that if an organisation's culture is right, whatever that may mean, this creates the conditions for wider success.

But what does it actually mean? Ask the senior executives about the culture of their organisation, and chances are they'll tell you it's all pretty positive. That's the view from the bridge. On the front line, or out in a regional office, things may seem pretty different. So the starting question for Campbell Tickell was how to support our clients in getting a reliable fix on the realities of their own organisational culture.

### Unique personalities

As recruiters, we often use psychometric testing to explore the suitability of candidates for certain roles; the tests have their limits, but often provide useful insights, and certainly inform a helpful discussion.

Further reading and research showed us that there has been much academic thought on similar questions, with any number of theories and models on offer. You can take your pick as to how many types of organisational culture



exist, from four up to 12. Key factors, scales, indices, all are there for the taking. Added to that was our own practical experience of cultural audits.

### The 'Big Five'

So that was the genesis of our CT CultureScan – a survey tool for our clients, based both on practical experience and the best theoretical thinking we could identify. As with most psychometric testing for individuals, it is based on a 'Big Five' set of attributes.

The first, and perhaps most important, of these is the **1 Autonomy-Control** scale, which places each organisation on a spectrum between 100% tight hierarchical control (think North Korea!), and at the other extreme, an organisation where management controls are loose or non-existent.

The other four of our Big Five are on a positive to negative spectrum. We have them as:

- 2 Engaged – Detached**, largely to do with people focus, caring, friendliness, respect and 'fun';
- 3 Agile – Rigid**, around attitudes to change, creativity and resilience;
- 4 Progressive – Protective**,

**The CT CultureScan is designed to give leaders a realistic picture of an organisation's internal culture**

learning, improvement, performance and communication; and

**5 Aligned – Fragmented**, about values, confidence, integrity, consistency and trust.

Between them, these bring out an organisation's attitudes to the key cultural attributes, and allow for differentiation between different teams, offices and staff demographics. Most importantly, this gives leaders the tools needed to plan and guide change.

We've successfully piloted the scan with a number of clients, all of whom were satisfied and ready now to vouch for its insights and usefulness.

To find out more about the CT CultureScan, contact Annie Field or James Tickell on +44 (0)20 8830 6777 or email

[researchers@campbelltickell.com](mailto:researchers@campbelltickell.com)



Kate Mavor  
Chief executive, English Heritage

## Becoming a charity: English Heritage's journey so far



In 2015 the English Heritage Trust became a charity which cares for England's 420 national monuments in state guardianship. These include Stonehenge, Hadrian's Wall, numerous castles and abbeys, Charles Darwin's home and Queen Victoria's Osborne House.

Our purpose is to provide public access to these unique sites and to tell their stories so future generations will understand the role they played in the history of England. We also manage London's Blue Plaque scheme.

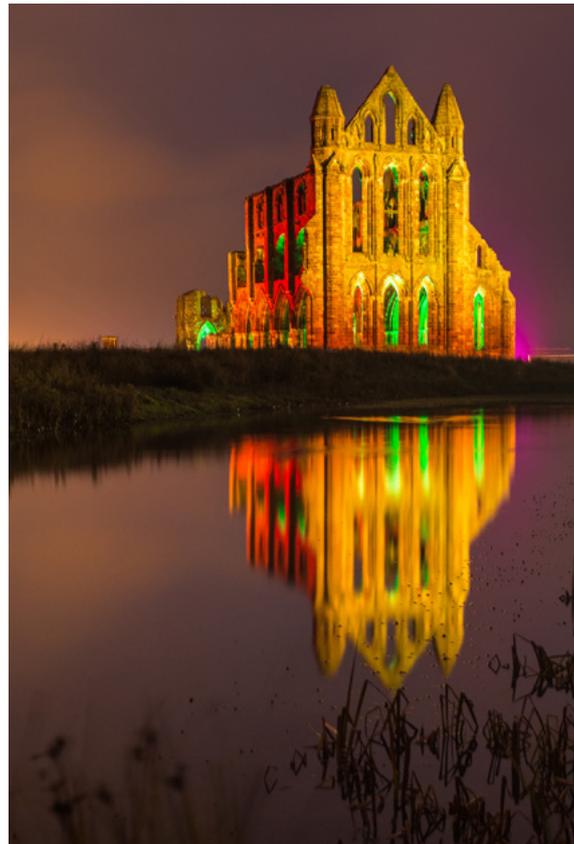
The challenge we face is to wean ourselves off government funding within seven years. We have a grant tapering down from £15 million to zero in 2021/22.

### The long road ahead

What is immediately evident when you become a charity is that you have a long road ahead in building relationships with potential supporters. They need to understand what you are trying to achieve, be won over to support it and to trust you as a new entity.

We know the 2000-year-old lighthouse at Dover Castle, the imposing ruined east windows of Whitby Abbey, and the battlefield at Hastings all provide a sense of wonder, a sense of place, a sense of time and a sense of local pride. These are intangible but hugely important elements of all our lives; but would you put your hand in your pocket to keep all this going rather than support a humanitarian charity?

Our two principal challenges are therefore how well we communicate the importance of our cause and how to engender a 'charitable mindset' in the organisation.



**"The challenge we face is to wean ourselves off government funding within seven years"**

Culturally, English Heritage was always made up of dedicated people: specialists in conserving historic buildings and artefacts, history enthusiasts, stagers of fantastic medieval jousts. What mattered less was engendering a sense of ownership among local communities. As a charity, we need people to love what we do, not see it as something they pay to visit or expect government to maintain.

We are changing our culture by celebrating every instance of staff involving locals to volunteer as costumed characters firing WWI guns, tending Victorian gardens, or removing ivy from Roman

walls. We're encouraging staff to tell stories over social media and in the local press, enhancing people's lives as they discover what went on in their neighbourhood. We are inviting schoolchildren, Brownies and Scouts to come on free educational visits (more than 300,000 last year) to learn some amazing facts and enjoy the places we look after for their benefit.

### Thinking like a charity

This is very different from the (albeit respected) English Heritage of the past. With the prospect of no more government funding, raising money is central to all we do. That's why our principal focus is on recruiting members. More than a million people already contribute to our cause and this allows us to maintain the walls, gutters, roofs, grounds, and antique heating systems, of the nation's historic sites. It is an immensely expensive responsibility.

Our fundraising efforts are centred around our educational purpose. We believe knowing something about your country's history matters and that passing on these stories to a new digitally-focused generation is vital.

We are three years into our journey to self-sufficiency and trust is building in the impact we have on society. Some major trusts and foundations, together with philanthropists with a passion for history, are already supporting us.

English Heritage is now thinking and behaving more like a charity. Our ambition is to be well-loved by our growing membership whose willing support more than replaces what government subsidy had to offer.

**The imposing Whitby Abbey is one of 420 national monuments cared for by English Heritage**

To discuss the issues raised in this article, contact Radojka Miljevic

[Radojka.miljevic@campbelltickell.com](mailto:Radojka.miljevic@campbelltickell.com)



## Delivering great governance

Great governance is proactive and aspirational. It is about realising your vision and ensuring the Board drives demonstrable change. With a strong profile supporting Boards and executive teams across different sectors, we bring currency of knowledge, professionalism and innovation to

your challenges. We have helped many organisations improve their governance arrangements. Our support covers everything from document reviews, Code compliance assessment, strategy awayday facilitation, Board recruitment, to evaluations and effectiveness reviews.

**FIND OUT HOW WE CAN HELP:**

contact Radojka Miljevic on **+44 (0)20 8830 6777**  
or email [radojka.miljevic@campbelltickell.com](mailto:radojka.miljevic@campbelltickell.com)

Download our latest CT Brief - Charities edition:

[campbelltickell.com/category/news/ct-brief/](https://campbelltickell.com/category/news/ct-brief/)



**Matt Leach**  
Chief executive, Local Trust



## Investing in the local

**A** new wave of unclaimed assets could be worth billions of pounds to local communities. While this money may be a long way off, a consensus is starting to emerge around how these resources could be used to recapitalise the social infrastructure of our most deprived places. After a decade defined by debates about national and transnational issues – economic crises, austerity and Brexit – we’re starting, finally, to see political attention turning back to the local.

Bank of England Governor Mark Carney recently asserted that social capital was as important as financial capital to making the economy work. And if this is true for bankers, it is equally true for the rest of us.

### Local places matter

Relationships, trust and understanding are essential to the functioning of modern society, underpinning good government, enabling effective enterprise and supporting social stability. It is a critical factor in developing, strengthening and sustaining a shared sense of community, identity and common interest.

The recent *Civil Society Futures* interim report sets out how “local places matter to many of us, perhaps even more in a digital age – to meet real people, talk eye-to-eye. Healthy civil society is rooted in places and even big organisations need local networks.”

But many of the local places where people can gather, meet and build trust and community are disappearing. As a recent Local Trust publication *Skittled Out* highlights,



tens of thousands of pubs have closed since the 1970s. A decade of austerity has resulted in the closure of hundreds of libraries, youth and community centres in recent years; more than a thousand children’s centres have shut since 2010. At the same time, huge numbers of post office branches, high street shops, bingo halls and bank branches have also closed. The rate of disappearance of these sorts of facilities is fastest in those parts of the country that have become disconnected from the growth of the wider economy.

A starting point for addressing the challenges of our most left behind places must address the fragility of what is left of their social infrastructure. It is not enough to plan for a new wave of large-scale regeneration projects funded by whatever emerges from the forthcoming post-Brexit Shared Prosperity Fund consultation.

**A decade of austerity has resulted in empty high streets in and the closure of community facilities like libraries and post offices**

We know that too often in the past these sorts of programmes – on their own – have failed to deliver sustainable change. Shiny new business parks and mixed-use developments do little to address the problems of the run-down community centre on an existing estate starved of funding and at risk of being shut down.

What is needed is sustained investment in rebuilding the institutions and spaces that enable participation and association, building social capital as a starting point for a wider transformation of local social and financial economies.



**“Many of the local places where people can gather, meet and build trust and community are disappearing”**

The recent proposal for a Community Wealth Fund from a broad based coalition of civil society sector organisations (including Local Trust) makes the case for long-term, patient investment in support of place-focused change (to read the report click [here](#)).

### Transformative change

Such a fund – which might be supported by a unique combination of unclaimed assets in insurance and pension funds and a wider match from corporate contributions – could achieve transformative social, economic and financial impact.

Legislation to enable this to happen (and the subsequent bureaucracy needed to release the funds) might take upward of five to six years, which is why so many civil society bodies are urging government to start planning now.

Brexit is fast approaching and we will soon no longer be able to blame others for the failings of a settlement that appears to have allowed whole communities to miss out on the benefits of economic growth. Rather, 2019 needs to be a launching point for a wider rediscovery of what it is to be British and collective investment in making it a success.



To discuss the issues raised in this article, contact [Maggie Rafalowicz](#)

[Maggie.rafalowicz@campbelltickell.com](mailto:Maggie.rafalowicz@campbelltickell.com)



**Clare Dove**  
*Crown representative for voluntary, community and social enterprise sector, and Patron, Social Enterprise UK*



## Unlocking the power of social value



**A**s crown representative for the voluntary, community and social enterprise (VCSE) sector, my role is to work with government and others to unlock the enormous energy of the VCSE sector, which I have worked in for more than 30 years.

In my previous role, as chair of Social Enterprise UK, I championed social value as a principle and as a business practice. Unlocking the power of social value is at the heart of my mission as VCSE crown representative. Why is this and what are my plans?

Diversity and strong leadership are key to the success of civil society. Social value flows from communities in which all individuals, groups and organisations are empowered to take part in activities which enrich lives and create a fairer society for all (see box: Social value explained).

Central to my work will be delivering core commitments made in the government's Civil Society Strategy. Published in August, this is the first time in 15 years that government has set out its long-term vision for how it will work with civil society to build a thriving future for our country. Social value is at the heart of the change the strategy seeks to achieve.

### Legislation

The Public Services (Social Value) Act 2012 was designed to create a diverse public services supply market and harness wider benefits for our communities. During the development of the Civil Society Strategy I hosted workshops in Manchester, Birmingham, Kirklees and Essex to better understand how the principles of the Act are being applied across the country.

The strategy states the government's determination to ensure that public spending is generating social value, and this

### Social value explained

The term 'social value' refers to the wider financial and non-financial impacts of services, initiatives and organisations. This includes the wellbeing of communities, social capital

and the environment.

The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can secure these wider

social, economic and environmental benefits.

The Act encourages commissioners to talk to the community in order to design better services with added social value.



**Social value must be at the heart of every business and public service in order to create a fairer society for all**

means improving the use of the Social Value Act at all levels. In the past it has sometimes been viewed as a barrier to civil society organisations. Similarly, it has sometimes been seen as a burden to public service commissioners. This is going to change.

The government will work closely with civil society organisations, and with organisations across other important industries such as finance and technology – industries which are increasingly placing social value at the centre of what they do.

In these areas the UK already leads the way, but there is much more that we can do. Too little of the £6.9 trillion investment capital in the UK goes to businesses and sectors which create social value. Too few social sector organisations are taking advantage of the opportunities technology offers.

We want the UK to continue to lead the way and set an example to the rest of the world about what can

be achieved with the energy of social value.

### Leadership

To unlock the true potential of social value in our society we need strong leadership and I aim to provide exactly that. I am committed to working with diverse individuals, organisations and government to find ways to build a stronger and even more effective social sector.

There are several major announcements in the Civil Society Strategy, which you can [read here](#). My work focuses on the central thread that holds the strategy together: social value. With social value guiding our decisions and actions we will create a thriving society and tackle social inequality and injustice wherever we find it.

To discuss the issues raised in this article, contact [Radojka Miljevic](#)

[Radojka.miljevic@campbelltickell.com](mailto:Radojka.miljevic@campbelltickell.com)



Allison Howe  
Head of governance, NSPCC

## Implementing the Charity Governance Code



The NSPCC was an early adopter of the Charity Governance Code when it was published in July 2017.

The code of practice is built on a foundation and seven principles, each of which comes with rationale, outcome and recommended practice.

The code starts from the basis that all trustees have joined the board for the right reason, know their charitable objectives and understand their legal roles and responsibilities.

When the code was published we went through each principle and searched for evidence at the NSPCC against the recommended practice to identify any gaps – and there were plenty.

So what lessons did we learn and what steps did we take as a result?

**1 Organisational purpose:** Sustainability is critical, especially now given the austerity agenda and uncertainty that comes with Brexit. Fortunately, this is an area where the NSPCC was able to evidence all the recommended practice.

**2 Leadership:** While the NSPCC met most of the best practice requirements here, there was no evidence the board had approved the old organisational values (although board members are adamant they did). Fortunately, there was an ongoing review of the organisation's values, so we ensured the board had a leading role in the process.

**3 Integrity:** One of the requirements here is that the board signs up to a code of conduct. This was a gap that was prioritised and the trustees approved and signed up to a code of conduct almost immediately. The code also requires registers

of interests to be kept. This was something the NSPCC had always done and this was an item on each board and committee agenda.

**4 Decision-making, risk and control:** The board had the fundamentals in place. It was clear about delegation and matters reserved for the board, and all committees had written terms of reference; however there was a need for a more regular review of these documents.

The code also reminds the board that it is ultimately responsible for risk management. This is not something that can be left to the audit committee to deal with – something I have experienced in other organisations.

**5 Board effectiveness:** This area needs to be kept under review. While the NSPCC met all the requirements at the time of the audit, the charity has just elected six new trustees. Therefore, I regularly revisit this principle to ensure we are meeting the key outcomes. Induction processes are ongoing, and it will be important to undertake a formal evaluation of board effectiveness during the next year.

**6 Diversity:** It is almost impossible to ensure the board is completely diverse. Having recently undertaken a search for new trustees,

**“Charities are under increasing scrutiny, so it has never been more important to demonstrate openness and accountability”**

based on a skills and diversity audit, this remains an issue for us.

We are now considering how we might attract a more diverse membership to our board committees. This is an area in which, like other charities, we need to do more.

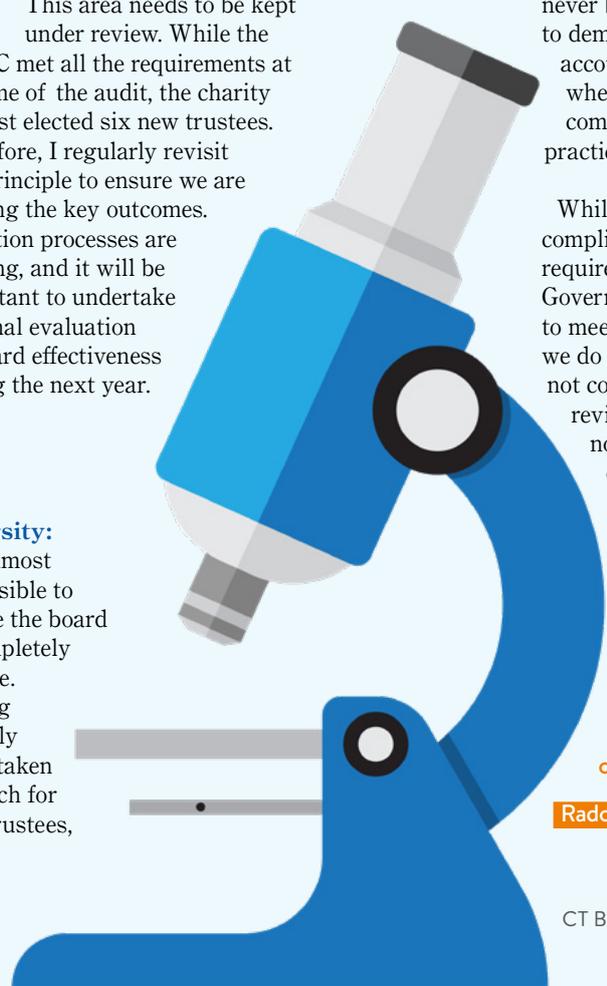
**7 Openness and accountability:** Charities are under increasing scrutiny, so it has never been more important to demonstrate openness and accountability. This is an area where the NSPCC board was compliant with recommended practice.

While the NSPCC is mainly compliant with the basic requirements of the Charity Governance Code and is working to meet those areas with which we do not yet comply, we are not complacent. We regularly review the action plan at our nominations and governance committee meetings.

In next year's annual report, it is our intention to report where we meet the Governance Code and what we are doing to improve performance where needed.

To discuss the issues raised in this article, contact Radojka Miljevic

[Radojka.miljevic@campbelltickell.com](mailto:Radojka.miljevic@campbelltickell.com)





Sarah Loader  
Associate consultant, Campbell Tickell

## Comparing codes: trends in codes of governance



Since the Cadbury report into corporate governance was published in 1992, a number of codes of governance have been produced for a range of sectors. Each has aimed to raise standards of governance and to provide reassurance to stakeholders and the wider public, often after high-profile failures or when dubious practices have come to light.

Adopting a code of governance can provide external validation of the effectiveness of an organisation. It can also provide organisations with a template against which they can seek assurance on their own performance and improve their systems where necessary. In some cases adopting a code might be the only way of accessing funding.

### Key governance trends

To identify key trends, we are looking at three codes in particular:

- the Charity Governance Code, the most recent version of which was published in 2017;
- the Code for Sports Governance, which was introduced in 2016;
- and the most recent version of the UK Corporate Governance Code, which comes into effect from 2019.

Not surprisingly there are many similarities between the codes (see box: Key similarities: charity, sports and corporate governance codes).

### What are the differences?

The codes diverge in two main ways. First, around the degree of compulsion to comply. While all three codes incorporate a degree of flexibility in application (acknowledging the differing size and complexity of operation of organisations), there is a differing approach to how organisations are required to comply.

The Corporate Governance Code works on a “comply and explain” basis, with companies having to

### Key similarities: charity, sports and corporate governance codes

- 1 Purpose:** Clarity of purpose is a key aspect of each of the codes, with an emphasis on the strategic role of the board and a division between that strategic role and role of the executive in carrying out the day-to-day business of the organisation.
- 2 Control and oversight:** The board should take responsibility for ensuring that effective controls are in place and that there is oversight of risk.
- 3 Organisational culture:** Each of the codes places an emphasis on the culture and values of the organisation and the need for effective and appropriate board behaviours.
- 4 Diversity:** Promoting diversity on the board and ensuring a mix of skills and experience, runs through each of the codes.
- 5 Engagement:** Each of the codes encourages effective engagement with stakeholders and a level of transparency in the work of the organisation.
- 6 Regular board refresh:** There is agreement that limited terms of office are useful to ensure boards refresh their skills. Open recruitment of new members is also encouraged.
- 7 Senior independent director (SID)/vice chair:** Each code mentions the need to consider appointing a SID or vice-chair to act as a sounding board for the chair and to be the person board members can approach with any concerns about the chair.

The codes covering sports organisations, charities and companies reveal some key governance trends

make a statement of how they have applied the principles and an explanation of why they might have departed from a principle. In contrast, The Charity Governance Code adopts an “apply and explain” approach, which merely encourages charities that adopt the code to publish a brief statement explaining their use of the code.

The Code of Sports Governance is very much linked to receipt of funding from Sport England or UK Sport. Compliance is assessed and funding can be impacted by the level of compliance with the code, which is intended to be mandatory.

Second, the codes reflect the different emphasis of the particular sectors, for example, around remuneration. Board members in the charitable sector are, in the main, unpaid. In sports organisations there are some board

members who are remunerated and there is usually a mix of executive and non-executive board members in corporate organisations. Unsurprisingly, there is therefore much more emphasis on remuneration and its setting and purpose in the UK Corporate Governance Code.

Overall, there is much that unites and relatively little that divides the three codes. Clarity of purpose, oversight and a strategic approach are threads that run through them all. There is increasing emphasis on board behaviours and a positive push to increase diversity. Good governance looks pretty much the same whichever sector you are in.

To discuss the issues raised in this article, contact Sarah Loader

[Sarah.loader@campbelltickell.com](mailto:Sarah.loader@campbelltickell.com)



**Julia Grant**  
Chief executive, Pro Bono Economics

## Why charities need to become data superstars



**D**ata is transforming our lives. The business models of ‘superstar’ companies like Google, Amazon and Uber are driven by data – its definition, its interpretation and its management. In the public sector, open data initiatives are beginning to remodel government provision of services. But where do charities stand when it comes to getting the best out of data?

As W. Edwards Deming, an influential statistician, once said: “Without data, you’re just another person with an opinion.”

### Data revolution

Charities can empower themselves with data that proves they are making the world a better place. Even basic data, complemented by case studies and contextual evidence, can become a management tool in both operations and strategic development. For the sake of survival and growth, it is time for charities – both large and small – to join the data revolution.

As charities increasingly assume responsibility for delivering government services, they must also assume responsibility for making a robust, objective case for funding, notably through the informed use of credible data that demonstrates their impact.

Evidence matters to the public too. Pro Bono Economics and FTI consulting carried out a survey in December 2016 and nearly 90% of people polled felt charities could attract more donations by proving their impact on society.

### Civic duty

Once charity data is contextualised and its wider implications assessed, it can play a role in meeting society’s most pressing challenges. Though so often lying dormant, it can yield insights into all kinds of



**Pro Bono Economics has worked with children’s mental health charity Place2Be, which provides in-school counselling services**

vulnerable groups – and so guide and focus the process of improving their lives. Data is no longer a ‘nice to have’. It is our civic duty to exploit it to positive effect.

Pro Bono Economics, itself a charity, helps other charities make purposeful use of data. We do this by sourcing and managing teams of expert volunteer economists who analyse and quantify the performance of not-for-profit organisations, particularly in the fields of education, employment, mental health and complex needs.

Over the past two years alone we have collaborated with almost 100 charities, ranging from micro-charities to national organisations such as Place2Be. Initially, our studies often focus on defining robust data sets that are directly relevant to the client charity’s mission. With these in place, we can move on to quantify social impact.

A text-book case study is our project for Tavistock Relationships, a £5 million charity which helps couples and families through challenging periods of their lives. Pro Bono Economics’ volunteers established that the charity generates a return of £7 for every £1 it spends.

**“Charities can empower themselves with data that proves they are making the world a better place”**

Tavistock Relationships now cites this figure when soliciting further funding from local authorities. It has also shared its data and Pro Bono Economics’ methodology with academics and the Department for Work and Pensions, supporting a ministerial submission on investment in parental relationships.

Charities’ resources and capabilities inevitably vary widely, and the groundwork involved in managing data and impact can appear daunting, but at Pro Bono Economics we believe that data is an imperative, a key point of reference for all stakeholders.

### Valuable resource

Working together on data, and setting common standards and metrics, will make a difference. Pro Bono Economics is committed to ‘open source’ – in other words we make our reports (all independently and externally reviewed) freely available.

Our work, now extending over a decade, represents a valuable source of knowledge, but as yet it is just a drop in the ocean. We can only begin to imagine the aggregated value of all the charity data that is out there. By learning to make best use of it, maybe the charity sector will deservedly achieve superstar status too.

To discuss the issues raised in this article, contact Jon Slade

[jon.slade@campbelltickell.com](mailto:jon.slade@campbelltickell.com)



Lucy Bannister  
Programme manager, Living Wage

## Phasing out low pay in the charity sector



Charities are distinct from businesses and profitable organisations because they work to a social, not economic mission. Most are working to tackle disadvantage, and many work directly to support vulnerable people to improve their living standards and life chances.

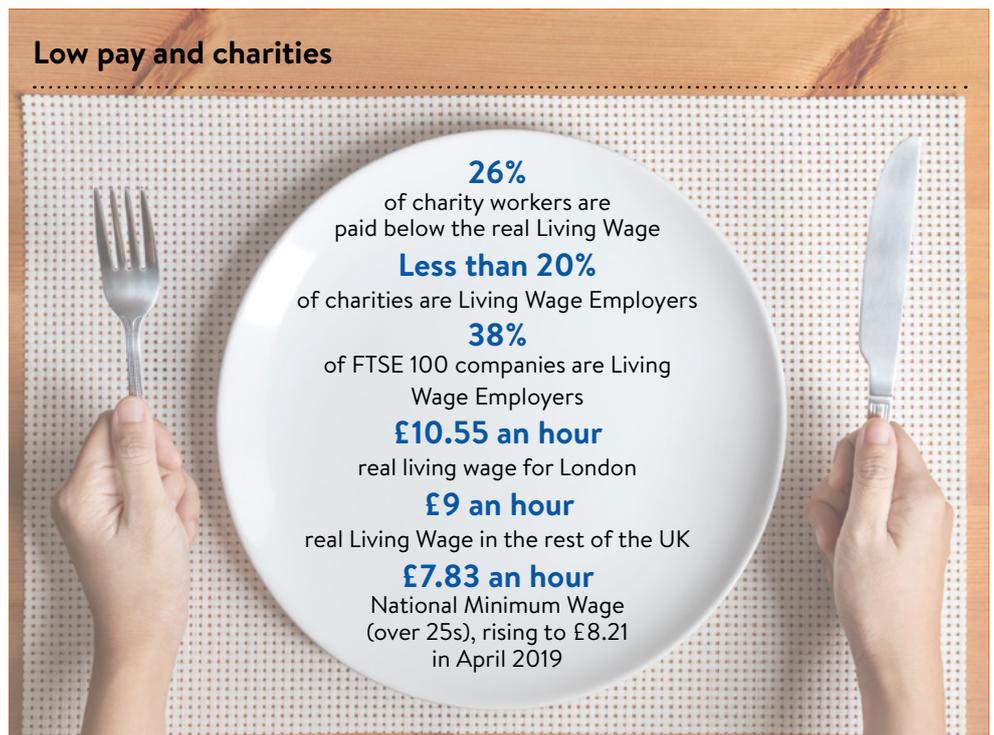
The Charity Governance Code states that charities should recognise their broader responsibilities to society, acting consistently with their values and purpose. This implies that charities should aim to tackle disadvantage and improve life chances in their governance decisions.

### Prevalence of low pay

Yet in November 2017, the Living Wage Foundation – in partnership with a group of 12 major funders, NCVO and Cardiff Business School – published a report: *Low Pay in the Charity Sector*. The report found that more than a quarter (26%) of charity workers are paid below the real living wage and that women, young people and BAME workers are disproportionately affected. The impact of government cuts to the sector and pressure to channel as much money as possible to beneficiaries, means charities feel unable to pay staff more.

Unfortunately, the evidence points towards many charities perpetuating the very issues they fight against. Two-thirds of children in poverty in the UK have working parents, and our poll (carried out by Survation) showed that many parents working full-time on less than the real Living Wage were: skipping meals; unable to participate in community life; using credit cards or payday loans; and falling behind on bills. The prevalence of low pay in this sector is deeply concerning.

This situation is not inevitable



Parents working full-time on less than the real Living Wage admit to skipping meals

and we're trying to find innovative ways to tackle it. More than 1,400 third sector organisations have committed to paying the real Living Wage, based on what people need to make ends meet, not just the government's minimum.

### The real Living Wage

Unlike the National Living Wage, which is the government minimum for those aged over 25, real Living Wage rates are based on the best available evidence about living standards in London and the rest of the UK. They take into account the cost of food, housing, travel and other necessities (see box: Low pay and charities).

The Living Wage Foundation also works with a group of funders and commissioners trying to promote the Living Wage through their grants. Our 37 Living Wage Friendly Funders (including Comic Relief, Big Lottery Fund and People's

Health Trust) give out more than £888,344 in funding across 20,016 grants. As well as being Living Wage Employers themselves, they ensure any posts funded through their grants meet the Living Wage, or work with their recipient organisations to achieve this.

But if charities are to live up to the expectations of the Charity Governance Code, there is still more to do. Fewer than one in five major charities have signed up to be real Living Wage Employers compared with 38% of FTSE 100 companies. Our Tackling Low Pay in the Charity Sector Action Plan highlights the need for local authority commissioners to commit to the Living Wage and for more awareness of low pay in sectors such as care and education.

To discuss the issues raised in this article, contact Dawn Matthews

[Dawn.matthews@campbelltickell.com](mailto:Dawn.matthews@campbelltickell.com)

To find out more about the Living Wage Foundation or its schemes, please email [lucy.bannister@livingwage.org.uk](mailto:lucy.bannister@livingwage.org.uk).



Rose Caldwell  
Executive director, Concern Worldwide

## Safeguarding vulnerable people



The issue of sexual exploitation, abuse and harassment (SEAH) is not just an ‘Oxfam issue’ – it is a societal issue. When abuse or exploitation happens within or is committed by organisations whose mission is to assist the world’s poorest or most vulnerable people, it challenges our belief in these organisations and in society itself.

Since a 2002 report by UNHCR and Save the Children UK revealed widespread sexual exploitation and abuse of refugee children in West Africa, many organisations, including Concern Worldwide, have put measures in place to protect both the people we work with and our staff. However, more recent media attention and subsequent regulatory focus on safeguarding has led my colleagues and I to ask ourselves, “Are we doing enough? Can we do more?”

This is a good thing and there are four key aspects that I want to ensure we re-visit continually.

### 1 Address the power imbalance

First, there is a power imbalance that exists between international non-governmental organisations and the people who we exist to serve. In Concern Worldwide’s case these are the extreme poor – people without assets who are marginalised by society because of their gender, ethnicity, age, disability or poverty itself.

We can’t change this dynamic but we must acknowledge it and ensure our front-line employees and community volunteers working in rural communities are aware of it and understand what unacceptable behaviour and the consequences of such behaviour is.

### 2 Encourage reporting

Second, we must do everything we can to ensure that abuses are reported. We know the vast majority



Kieran McConville

Reka Sztopa, interim country director for Concern Worldwide in the Central African Republic, discusses the complaints system with Hady Sow, Concern’s area coordinator for Kouango

of victims and survivors remain silent. This is the case even here in the UK, where society is less patriarchal, has a justice system, support services and more gender equality than any of the countries in which we work.

To encourage reporting we must make sure there are clear and simple complaints pathways which are confidential and trusted, that the victims and survivors are protected and have tailored support, that investigations are thorough and fast, and that decisive action is taken.

### 3 Welcome the rise in incidents

Third, we must not fear an increase in the number of SEAH incidents reported within our organisations. Organisations should be judged not on the number of incidents reported, but rather on how these cases are dealt with. This will require organisations to work hard on how this information is reported to the public.

### 4 Put survivors first

Finally, and most importantly, survivors must come first. At the Department for International Development Safeguarding

**“Organisations should be judged not on the number of incidents reported, but rather on how these cases are dealt with”**

Summit in October this year, new commitments and activities which will help achieve this were announced. It is difficult, however, to bridge the gap between these high-level initiatives and work on the ground in South Sudan or Sierra Leone. That is where we need to focus much of our attention. Do our locally hired staff see it as we do? Do they feel part of ‘us’ when we talk about our organisation’s values?

We must not lose momentum or rest until we know we have taken all possible steps to prevent sexual exploitation and harassment and to respond effectively when it happens – putting victims/survivors first.

To discuss the issues raised in this article, contact Radojka Miljevic

[Radojka.miljevic@campbelltickell.com](mailto:Radojka.miljevic@campbelltickell.com)



Jon Sparkes  
Chief executive, Crisis

## Homelessness in Britain



Homelessness simply shouldn't exist in modern Britain, yet there are 236,000 people currently sleeping on our streets, sofa-surfing with strangers, and living in crowded hostels. This issue could not be more urgent: 449 homeless people have died in the UK over the past year, the Bureau of Investigative Journalism revealed this month.

That's why Crisis has published a pioneering report on how Britain can end homelessness for good, *Everybody In: How to end homelessness in Great Britain*. We spent 18 months commissioning in-depth research and consulting senior civil servants, council representatives, front-line workers, homelessness charities, and people who have experienced homelessness. We travelled across Britain to gather their stories, to show how government policies and structural issues are pushing people into devastating situations.

Claire, Alex, and Mark are just three of the people we spoke to. Claire ended up sleeping on the streets of Edinburgh when her 18-year relationship broke down and she couldn't get a place in social housing. Adam had to live in hostels in Cardiff when he couldn't afford the deposit for a rented flat despite working full-time. And Mark has been homeless on and off for 30 years in London, after leaving the navy with undiagnosed post-traumatic stress disorder (PTSD).

### Housing-led approach

It doesn't have to be like this. Our report sets out the government policies that would end homelessness for good, within just 10 years. Our wide-ranging proposals address the root causes of homelessness and, crucially, try to prevent it from happening in the first place. The proposals

### Ending homelessness: the proposals

- Building 100,500 social homes a year for the next 15 years to meet demand among people on low incomes;
- A national rollout of the Housing First initiative, which would benefit more than 18,000 homeless people with complex needs;
- An increased role for state institutions, such as prisons and hospitals, to prevent people leaving their care from becoming homeless.



iStock

Crisis has been working on the front-line with homeless people for 50 years

focus on housing-led approaches, which house people rapidly rather than expecting them to fulfil certain criteria in order to 'qualify' for housing (see box: Ending homelessness: the proposals).

A vital part of our mission is helping to put these policies into practice. We've conducted feasibility studies in Liverpool and Torbay for Housing First, an approach that provides housing and wraparound support for homeless people with complex needs, such as mental health issues.

We're looking to partner with three cities or regions as early adopters of our plan to end homelessness, and we're working in all 11 of our front-line centres

**"Our report sets out the government policies that would end homelessness for good, within just 10 years"**

across Britain to bring about change in those localities (see box: Costs and benefits).

### Concrete goal

Ending homelessness isn't a lofty ambition – it is a concrete goal. Finland and parts of Canada and the US are having huge success on this front. Britain can end homelessness if everyone works together and plays their part.

Crisis marked 50 years of working on the front-line with homeless people in 2017. Thanks to donations from thousands of supporters, last year we worked with 11,000 people who were homeless or at risk of homelessness. We must not still be here in 50 years' time.

To discuss the issues raised in this article, contact Liz Zacharias

[Liz.zacharias@campbelltickell.com](mailto:Liz.zacharias@campbelltickell.com)

### Costs and benefits

PwC has estimated the costs and benefits of some of the policies laid out in the Crisis plan:

- Over the next decade, these policies would cost £9.9 billion and deliver benefits worth £26.4 billion
- For every £1 invested, an estimated benefit of £2.70 would be generated.



Liz Zacharias  
Senior consultant, Campbell Tickell

## Housing First: using demographic data

CAMPBELL  
TICKELL

**H**ousing First is an innovative approach to tackling homelessness which does what it says on the tin: it provides a home first and then builds a package of care and support around the individual. The ultimate aim is to allow people to live independently. The policy is gaining traction with policy makers, providers and governments, not just in the UK but around the world. A key reason for the growth in popularity of the policy is its evidence-based approach.

A recent study in *Housing Studies Journal*, by Nick Falvo and Ali Jadidzadeh of Calgary Homeless Foundation (CHF) looked at how long people in Housing First accommodation needed the service for, i.e. after what period did they 'graduate' from needing support and begin living independently. The study has some interesting findings.

### Data gathering

The research was based on data collected from CHF's homelessness management information system between 1 April 2012 and 31 March 2015. The data related to people in Housing First programmes funded by CHF and was supplemented by

casework staff and the Housing First clients. First, an intake form was completed by a case manager, then another assessment form was completed every three months. One was also completed on exit.

These forms gathered data on basic demographics, as well as information on education, income, employment, history of family violence, use of health services and involvement in the criminal justice system.

The study explored the effect of different factors on the speed with which clients became able to manage their own tenancies, without the wraparound support (see box, right: The results).

### Analysis

These outcomes are perhaps not surprising. Nonetheless it is useful to have evidence that indicates the extent to which demographic factors affect people's ability to thrive in Housing First services and make the transition to living independently. In addition, it has aggregated the outcomes for different kinds of Housing First clients and discerned some patterns.

Of further interest is the research typology used: namely 'survival analysis' and 'hazard models'. The study says: "Survival analysis tells us when we can expect new housing units to become available for new tenants, and

### The results



**Single adults without dependants** require housing support longest; families become able to live independently the quickest.



**Women** require support for longer periods than men (even when the study allowed for employment and income).

In fact, men are 32% more likely to graduate than women. The researchers found that one possible reason is: "Women experiencing homelessness often find themselves in relationships with people who in turn jeopardise their housing stability."



One (perhaps) surprising finding was that having a **history of addictions** does not appear to affect a client's graduation rate. The stability of having a home may enable clients to reduce their addictive behaviours.



**Older people** who had recently been homeless required support longer than other groups, in part due to their compromised health.



Having a **source of income** is positively correlated with graduation rates. Indeed, providing some additional (short-term) financial support helped people who were near to 'graduation' to do so.

**A Canadian study shows how demographic factors affect people's ability to transition from Housing First services to independent living**

which programme types will have available units more quickly."

It adds: "Hazard analysis can tell us which tenants will be most likely to graduate, based on individual characteristics."

Future research will hopefully explore how long people are able to sustain tenancies once the support has ended and whether there are any demographic issues that impact on this. We will continue to watch this space.

*This article is based on the Homeless Hub blog found [here](#).*

To discuss the issues raised in this article, contact Liz Zacharias

[Liz.zacharias@campbelltickell.com](mailto:Liz.zacharias@campbelltickell.com)

"Having a history of addictions does not appear to affect a client's graduation rate"



**Ben Rick**  
*Managing director and co-founder, Social and Sustainable Capital*

## Funding control for organisations



In the past four years, Social and Sustainable Capital (SASC) has encountered many situations where a lack of access to safe, high-quality housing is hampering the work of great not-for-profit organisations who support vulnerable people. A common issue is that, while there is widespread access to mortgage finance, many organisations are unable to find deposits.

Many organisations feel a traditional mortgage is too risky. They are concerned about the price risk inherent in purchasing property, and/or in the fixed repayment requirements, which rely on income from local authorities, etc.

Instead, these organisations often rely on being able to access housing through housing associations or private landlords. However, this can bring other problems: the poor quality of a property; a reluctance to accept challenging tenants; the inability to make special adaptations or short leases.

To help overcome these issues, we started to offer high loan-to-value mortgages to charities that could demonstrate an ability to repay. How successful has this been?

### A solution

In 2017 Hull Women's Network (HWN) approached us. They had a great track record of supporting victims of domestic violence, but had a waiting list of women they were unable to help because they could not find decent rental properties, or afford to purchase housing.

We were determined to find a way to help. We agreed two sets of outcomes. First, to build the capacity and long-term resilience of the organisation; second, to improve the lives of the vulnerable women and their children through the security of a sustained tenancy and the ongoing support of HWN.

We co-designed a structure that allowed HWN to purchase and own properties without the risks typically inherent in a mortgage.

### Innovative financing

We have since refined and re-used this structure in a similar deal with a Community Interest Company in Glasgow. SASC finances 100% of the cost of property purchase and renovation, all the professional fees, and the salary of a staff member to purchase and run the properties.

For 10 years, SASC takes on the risks of concern to the borrower (the amount of rent received, voids, bad debts, repairs and maintenance), while the borrower retains an element of the rent for managing the portfolio. After 10 years, the borrower has the option, but not the obligation, to purchase the properties.

This is made easier if the properties have increased in value as they are more likely to obtain a commercial mortgage. If they prefer

not to do this, we accept transfer of the properties to us in full and final settlement of the loan.

### Dedicated fund

Now, we are developing a dedicated SASC Housing Fund with a launch target of April 2019. We are hoping to raise £100 million, which would allow us to work with up to 30 organisations.

The fund is aimed at high-impact charities and social enterprises, and by spreading the portfolio across the UK, we will even be able to lend to organisations in areas where house prices are high.

If you run a small or medium-sized organisation (£1 million to £30 million revenue) with some experience of property management, and are looking to purchase housing for your vulnerable clients, contact us on [info@socialandsustainable.com](mailto:info@socialandsustainable.com).

*"We are developing a dedicated SASC Housing Fund. We are hoping to raise £100 million"*

**Social and Sustainable Capital invested £2.85 million into Homes for Good Glasgow, which provides good quality social and affordable housing the city**

To discuss the issues raised in this article, contact [Maggie Rafalowicz](mailto:Maggie.rafalowicz@campbelltickell.com)

[Maggie.rafalowicz@campbelltickell.com](mailto:Maggie.rafalowicz@campbelltickell.com)





## Creating great organisations

Recruiting the right people is a challenge – it's about creating a great organisation.

With a first-time success rate of 97% for finding high calibre talent, we have a strong track record and excellent reputation in senior executive and non-executive recruitment. Our extensive networks across the public, private and third sectors mean that we can bring forward a strong and diverse range of leadership candidates. And our ability to understand clients' needs

and position opportunities in the market, ensures we find the right people for you and maximise value for money.

Great organisations are moreover about ensuring excellent systems and structures are in place. We are well-positioned to help with this too – our specialist team offers a blend of HR and organisational development expertise.

**LET US HELP YOU CREATE A  
GREAT ORGANISATION TODAY.**

contact Dawn Matthews on **+44 (0)20 3434 0990**  
or email [dawn.matthews@campbelltickell.com](mailto:dawn.matthews@campbelltickell.com)