

Code of Governance Friends of Peamount

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Code of Governance

Contents

	Page
Introduction	3
Friends of Peamount	3
The Board	3
Composition of the Board	4
Chairperson's role & responsibilities	4
Directors	5
Matters reserved for decision of the Board	6
Conducting the business of the Board	6
Delegated authority by the Board to the Chief Executive	7
Secretary of the Board	7
Code of conduct for directors	7
Directors Fees	8
Tax Compliance	8
Appendix 1 Ethics Acts	9
Appendix 2 Briefing for new Board Members	11
Appendix 3 Disclosure by Board Members	12

Introduction

This Code of Governance (**the Code**) provides a framework for the application of best practice in charity governance by The Friends of Peamount. Directors of Friends of Peamount shall be guided by the principles set out in this Code in meeting their responsibility to ensure that all of their activities, whether covered specifically or otherwise in the Code, meet the highest standards of governance.

Friends of Peamount

Friends of Peamount is a company limited by guarantee and not having a share capital incorporated under the Companies Act 2014. It is also a registered charity for tax purposes.

Friends of Peamount is an independent charitable organisation established to support the work of Peamount Healthcare in the provision of:

1. Rehabilitation services for older people and those with respiratory, neurological and rheumatological conditions.
2. Residential services for people with a neurological disability, people with an intellectual disability and older people.
3. Community services including outpatients, diagnostics, and day care.

The Memorandum and Articles of Association of Friends of Peamount are of fundamental importance in that they set out the constitution and internal rules of Friends of Peamount. This Code shall be read in conjunction with the Memorandum and Articles of Association and in the event of any inconsistency between the Memorandum and Articles of Association and the Code, the Memorandum and Articles will prevail.

1. The Board

The Board of Friends of Peamount has collective responsibility for promoting the success of fundraising on behalf of Peamount Healthcare by leading and directing these activities. It shall provide strategic guidance and monitor the activities and effectiveness of management of the funds raised.

The Board should fulfil key functions, including: reviewing and guiding strategic direction and major fundraising plans, annual budgets and spending plans, monitoring achievements and advancing charitable objective, and overseeing major capital expenditure and investment decisions with the monies of the charity.

Board members shall act on a fully informed and ethical basis, in good faith, with due diligence and care, and in the best interests of Friends of Peamount and its stakeholders. The Board has a key role in setting the ethical tone of Friends of Peamount. High ethical standards are in the long-term interests of the organisation and a key means to make it credible and trustworthy. It is important that the Board sets the correct 'tone from the top'. The Board should lead by example and ensure that good standards of governance and ethical behaviours are maintained.

The collective responsibility and authority of the Board should be safeguarded. All Board members should be afforded the opportunity to fully contribute to Board deliberations, and where necessary to provide constructive challenge, while excessive influence on Board decision-making by one or more individual members should be guarded against.

The Board has responsibility for ensuring that effective systems of internal control are instituted and implemented including financial, operational and compliance controls and risk management and the Board should review the effectiveness of these systems annually. The Board is required to form its own view on effectiveness of internal control systems based on the information and assurances provided.

The annual review of effectiveness should conclude on the extent to which controls are adequate, and were operating and should outline actions required to address any deficiencies arising.

The Board is responsible for holding the Chief Executive Officer (**CEO**) to account for the effective performance of their responsibilities.

The CEO has a duty to provide the Board with all necessary information to enable the Board perform their duties to a high standard. The Board should take all necessary steps to make themselves aware of any relevant information and access all information as necessary.

1.1 Composition of the Board

1. The membership of the Board shall reflect diversity in terms of gender, skills and areas of competency.
2. The membership term for each Director should not generally exceed three years.
3. On completion of a term of office, a Director is eligible for reappointment but may not serve more than three consecutive terms (i.e. a maximum of 9 years).
4. The resignation of Directors shall occur on a phased basis to ensure the continuity of governance.
5. The Nominations Committee of Peamount Healthcare shall be responsible for identifying and assisting the Board in the selection and appointment of new Directors.
6. The number of Directors shall not be less than 4 or more than 7.
7. A record of Board membership and tenure shall be maintained by the Company Secretary
8. Clause 44 of the Articles of Association sets out the conditions under which a director shall vacate their office.
9. There should be in place a structured induction programme for newly appointed Directors. (viz Appendix 2)
10. No employee of Peamount Healthcare may serve as a member of the Board.

1.2 Chairperson's Role and Duties

1. The Chairperson is responsible for leadership of the Board and ensuring effectiveness on all aspects of its role.
2. The Chairperson should display high standards of integrity and probity and set expectations regarding culture, values and behaviours for the Board and for the tone of discussions at Board level.
3. The Chairperson shall be elected by the Board.
4. The appointment of the Chairperson shall be for a period not exceeding three years in line with the duration of the term of office of Directors.
5. At the end of three years, the Chairperson can be reappointed for a maximum of a further 3 years.

6. The Chairperson must oversee the orderly and effective functioning of the Board and ensure that there is appropriate interaction with Peamount Healthcare.
7. The Chairperson and the CEO are responsible for the effective management of the Board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chairperson and the CEO should meet in advance of the Board meeting to agree the agenda.
8. Essential to the effective functioning of the Board is dialogue which is both constructive and challenging. The Chairperson should promote a culture of openness and debate by facilitating the effective contribution of key management and all Board members.
9. On an annual basis and together with the Board, the Chairperson should undertake a formal review of the Board's performance for the previous year.

1.3 Directors

1. Board Members should bring an independent judgement to bear on issues of strategy, performance, resources and standards of conduct.
2. Board Members have duties and responsibilities under the Companies Act 2014 and it is the responsibility of each Board Member to act in conformity with the applicable provisions of those Acts and the Charities Code of Governance.
3. The principal fiduciary duties are:
 - To act in good faith in what the Board member considers to be the best interests of Friends of Peamount;
 - To act honestly and responsibly in relation to the conduct of the affairs of Friends of Peamount;
 - To act in accordance with Friends of Peamount constitution and exercise his or her powers only for the purposes allowed by law;
 - Not to benefit from or use Friends of Peamount's property, information or opportunities for his or her own or anyone else's benefit unless Friends of Peamount constitution permits it or a resolution is passed in a general meeting;
 - Not to agree to restrict a Board member's power to exercise an independent judgment unless this is expressly permitted by Friends of Peamount's constitution;
 - To avoid any conflict between his or her duties to Friends of Peamount and his or her other interests unless the Board member is released from his or her duty to Friends of Peamount in relation to the matter concerned;
 - To exercise the care, skill and diligence which would be reasonably expected of a person in the same position with similar knowledge and experience as a Board member;
 - To have regard to interests of Friends of Peamount's members.

4. A formal standard letter of appointment should be issued to new Board Members.

The letter of appointment should include the following:

- Role of the Board and that of a Board member;
 - The Memorandum and Articles of Association;
 - Duration of appointment and renewal provisions;
 - The time commitment involved;
 - No fees payable;
 - Conflict of interest rules;
 - Termination arrangements; and
 - Rules on confidentiality.
5. Board Members are appointed as they bring specific knowledge, skills, experiences and expertise to the deliberations of the Board and this is only possible if Board Members use their best endeavours to attend all Board meetings and contribute as appropriate. Attendance will be evaluated when the Board Member is due to be re-appointed.

1.4 Matters reserved for decision by the Board

1. Formulation of strategy and objectives for Friends of Peamount;
2. The approval of annual budgets;
3. The preparation and approval of annual reports and accounts;
4. Arranging for the independent external audit of the annual accounts;
5. Significant acquisitions, disposals and retirement of assets and general expenditure of Friends of Peamount with a value greater than €10,000 (excluding VAT);
6. Major investments;
7. The delegation of authority levels for the CEO;
8. Acceptance by Friends of Peamount of gifts in excess of €10,000.

1.5 Conducting the business of the Board

1. The Board shall meet regularly, at least 6 times per annum. A quorum of two members will be required for a meeting to take place.
2. The Board shall be supplied with information which is of a suitable quality to enable Board members to satisfactorily discharge their duties.
3. All Board members shall be afforded the opportunity to fully contribute to Board deliberations.
4. The Board should have a means whereby the concerns of Directors that cannot be resolved are recorded.
5. The Board should have procedures to monitor and manage potential conflicts of interest of management and Board members. (viz Appendix 4).
6. The Board shall be responsible for compliance with all statutory obligations applicable to the charity that may be set out in the legislation governing its establishment and any other relevant legislation.
7. The Board shall ensure that decisions on major items of expenditure shall be aligned with medium to long-term strategies of Peamount Healthcare to ensure that such expenditure is focused on clearly defined objectives and outcomes.
8. The Board shall maintain an appropriate relationship with the external auditors.

1.6 Delegated Authority by the Board to the CEO

1. All matters relating to the day-to-day management of Friends of Peamount
2. Proposing strategy to the Board of Friends of Peamount and delivering the agreed strategy
3. Approval of expenditure up to a maximum of €5,000 excluding VAT; all other expenditure must be approved by the Board.
4. Ensuring that high quality information is provided to the Board on the charities financial and strategic performance

1.7 Secretary of the Board

1. The Board has a duty to ensure that the person appointed as Secretary of the Board has the skills necessary to discharge their statutory and legal duties and such other duties as may be delegated by the Board. Both the appointment and removal of the Secretary of the Board should be a matter for the Board as a whole.
2. The role of the Secretary of the Board should be seen as a support to the Board. The Secretary of the Board may be assigned such functions and duties as may be delegated by the Board. The duties can be classified as follows:
 - statutory duties;
 - duty of Disclosure;
 - duty to exercise due care, skill and diligence, and
3. The Secretary of the Board should report to the Chairperson on all Board governance matters and should assist the Chairperson in ensuring relevant information is made available to the Board. The Secretary of the Board is responsible for advising the Board through the Chairperson on all governance matters. The Board should have a list of statutory obligations and regulations that are required to be complied with and the execution of which depends on the Secretary of the Board.

2. Code of Conduct for Directors

1. Friends of Peamount should have a written Code of Conduct for their directors and which should be approved by the Board
2. Up-to-date Codes of Conduct should be available on the website and brought to the attention of all Board members, management.
3. The Code of Conduct shall contain a description of the nature, intent and scope of application of the Code and a statement of the guiding principles and obligations.

4. The Code of Conduct should refer to the need for directors and staff to comply with the requirements of the Companies Acts, if applicable, and any other relevant legislative and regulatory requirements.
5. The Code of Conduct shall set out procedures for addressing conflict of interest.
6. The Code of Conduct shall make clear that certain obligations regarding, in particular, the non-disclosure of privileged or confidential information does not cease when Board membership with the charity has ended.

7. The Code of Conduct shall also refer to the need for each member of the Board to ensure his/her compliance with relevant provisions of the Ethics Acts (viz. Appendix 1).

3. Directors' Fees

1. No fees are payable to the Chairperson or Members of the Board.

4. Tax Compliance

1. Friends of Peamount shall be fully compliant with taxation laws and shall ensure that all tax liabilities are paid on or before the relevant due dates.
2. A tax clearance certificate as issued by the Revenue must be held at all times

Signature:

Chairman: _____
Michael G Tutty.

Date: _____

APPENDIX 1

Ethics in Public Office

Obligations under the Ethics Legislation

All those who hold designated directorships (Board memberships) or occupy designated positions of employment in public bodies, prescribed by regulation for the purposes of the Ethics legislation (i.e. the Ethics in Public Office Acts 1995 and 2001), must comply with the relevant provisions of the legislation. Compliance with the Ethics Acts is deemed to be a condition of appointment or employment. While the summary below is provided for information, detailed guidelines on compliance with the Ethics Acts has been published by the Standards in Public Office Commission (the Standards Commission) on their website. All persons who have obligations under the Acts are obliged to act in accordance with the guidelines and any advice given by the Standards Commission, unless by so doing they would be contravening another provision of the legislation.

Disclosure of Registrable Interests

The Ethics in Public Office Act 1995 provides for the disclosure of registrable interests by holders of designated Board memberships and occupiers of designated positions of employment in public bodies prescribed for the purposes of the Ethics legislation. Briefly, the requirements are:

Designated Board Members: Are required in each year, during any part of which they hold or held a designated Board membership of a public body prescribed by regulations made by the Minister for Public Expenditure and Reform, to prepare and furnish, in a form determined by that Minister, a statement in writing of their registrable interests, and the interests, of which a person has actual knowledge, of his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, which could materially influence the person in, or in relation to, the performance of the person's official functions by reason of the fact that such performance could so affect those interests as to confer on, or withhold from, the person, his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, a substantial benefit. The statement must be furnished to the Standards Commission and to such an officer of the body as determined by the Minister for Public Expenditure and Reform.

Designated Positions of Employment: Are required in each year, during any part of which they occupy or occupied a designated position of employment in a public body, prescribed by regulations made by the Minister for Public Expenditure and Reform, to prepare and furnish, in a form determined by that Minister, a statement in writing of their registrable interests, and the interests, of which a person has actual knowledge, of his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, which could materially influence the person in, or in relation to, the performance of the person's official functions by reason of the fact that such performance could so affect those interests as to confer on, or withhold from, the person, his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, a substantial benefit. The statement must be furnished to the relevant authority for the position as determined by the Minister for Public Expenditure and Reform.

Material Interests: The holder of a designated Board membership or the occupier of a designated position of employment is required to furnish a statement of a material interest where a function falls to be performed, and where the Board member or the employee or a

“connected person” (e.g. a relative or a business associate of the Board member or employee) has a material interest in a matter to which the function relates. Such a statement must be furnished to the other Board members of the public body by a designated Board member or to the relevant authority by the occupier of a designated position of employment. The function must not be performed unless there are compelling reasons to do so. If a designated Board member or the occupier of a designated position of employment intends to perform the function, he or she must, either before doing so, or if that is not reasonably practical, as soon as possible afterwards, prepare and furnish a statement in writing of the compelling reasons to the other Board members and to the Standards in Public Office Commission if a designated Board member, or to the relevant authority if an employee. This obligation applies whether or not the interest has already been disclosed in a statement of registrable interests.

Tax Clearance Obligations of Appointees to “Senior Office”

The tax clearance provisions of the Standards in Public Office Act 2001 apply to persons appointed to "senior office", i.e. to a designated position of employment or to a designated Board membership in a public body under the 1995 Ethics Act, in relation to which the remuneration is not less than the lowest remuneration of a Deputy Secretary General in the civil service. All persons appointed to a designated Board membership “senior office” must provide to the Standards in Public Office Commission not more than nine months after the date on which he or she is appointed:

- a tax clearance certificate that is in force and was issued to the person not more than nine months before, and not more than nine months after, the appointment date; or
- an application statement that was issued to the person and was made not more than nine months before, and not more than nine months after, the appointment date; and
- a statutory declaration, made by the person not more than one month before, and not more than one month after, the date of appointment, that he or she, to the best of his or her knowledge and belief, is in compliance with the obligations imposed on him or her by the Tax Acts and is not aware of any impediment to the issue of a Tax Clearance Certificate.

Investigations

The Board and employees of public bodies can be subject to investigation by the Standards Commission, either where it considers it appropriate to do so, or following a complaint, or where there is contravention of the tax clearance requirements, and there is nothing that precludes the Standards Commission from taking into account this Code in such an investigation.

Additional Information and Advice

This appendix is provided for information purposes only and does not constitute a legal interpretation of the Ethics Acts. Regard should be had in the first instance to the Standards Commission’s guidelines. Requests for advice on compliance with the legislation should be referred to the Standards Commission.

APPENDIX 2

Briefing for new Board Members

On the appointment of new Board Members, the Company Secretary of Peamount Healthcare shall provide them with the following information:

1. A copy of this Code of Governance
2. A copy of the most recent set of Statutory Accounts
3. Code of Conduct for Directors
4. A copy of the Strategic Plan for Peamount Healthcare
5. A copy of the Memorandum and Articles of Association
6. General information on the services, structure and activity of the organisation.
7. A letter of appointment to the Board

APPENDIX 3

Disclosure of Interests by Board Members

In addition to the requirements under the Ethics Acts (**viz. Appendix 1**) the following procedures should be observed:

i) Periodic Disclosure of Interests: On appointment and annually thereafter, each Board member should furnish to the Secretary of the Board or other nominated person a statement in writing of:

(a) the interests of the Board member;

(b) the interests, of which the Board member has actual knowledge, of his or her spouse or civil partner, child, or child of his/her spouse or civil partner; which could materially influence the Board member in, or in relation to, the performance of his/her official functions by reason of the fact that such performance could so affect those interests as to confer on, or withhold from, the Board member, or the spouse or civil partner or child, a substantial benefit.

For the purposes of this disclosure, interests has the same meaning as that contained in the Ethics in Public Office Act 1995. The statement of interests form used for annual statements under the 1995 Act could be utilised for this purpose on an administrative basis. Where the Board member is also a designated director for the purposes of the Ethics Acts, the annual statement of interests furnished in January each year under section 17 of the Ethics in Public Office Act 1995 will suffice for the purposes of the annual disclosure of interests under this Code.

ii) Disclosure of interest relevant to a matter which arises: In addition to the periodic statements of interest required under (i) above, Board members are required to furnish a statement of interest at the time where an official function falls to be performed by the Board member and he/she has actual knowledge that he/she, or a connected person as defined in the Ethics Acts, has a material interest in a matter to which the function relates. For the purposes of this disclosure, material interests has the same meaning as that contained in the Ethics in Public Office Act 1995.

iii) Doubt: If a Board member has a doubt as to whether an interest should be disclosed pursuant to this Code, he/she should consult with the Chairperson of the Board and/or the nominated person in the State body for dealing with such queries.

iv) Confidential Register: Details of interests disclosed under this Code should be kept by the Secretary of the Board or other nominated person in a special confidential register. Access to the register should be restricted to the Chairperson and Secretary of the Board and other members of the State body on a strictly need to know basis.

v) Chairperson's Interests: Where a matter relating to the interests of the Chairperson arises, the other members attending the meeting shall choose one of the members present at the meeting to chair the meeting. The Chairperson should absent himself/herself when the Board is deliberating or deciding on a matter in which the Chairperson or his/her connected person has an interest.

vi) **Documents withheld:** Board or State body documents on any deliberations regarding any matter in which a member of the Board has disclosed a material interest should not be made available to the Board member concerned.

vii) **Early return of documents:** As it is recognised that the interests of a Board member and persons connected with him/her can change at short notice, a Board member should, in cases where he/she receives documents relating to his/her interests or of those connected with him/her, return the documents to the Secretary of the Board at the earliest opportunity.

viii) **Absent:** A Board member should absent himself/herself when the Board is deliberating or deciding on matters in which that Board member (other than in his/her capacity as a member of the Board) has declared a material interest. In such cases consideration should be given as to whether a separate record (to which the Board member would not have access) should be maintained. (NB. Board members who are designated directors should note the separate requirements under the Ethics in Public Office Acts 1995 and 2001 regarding a 'material interest').

ix) **Uncertainty:** Where a question arises as to whether or not an interest declared by a Board member is a material interest, the Chairperson of the Board should determine the question as to whether the provisions of this Code apply. Where a Board member is in doubt as to whether he or she has an obligation under the Ethics in Public Office Acts 1995 and 2001, he or she should seek advice from the Standards in Public Office Commission under section 25 of the Ethics in Public Office Act 1995.