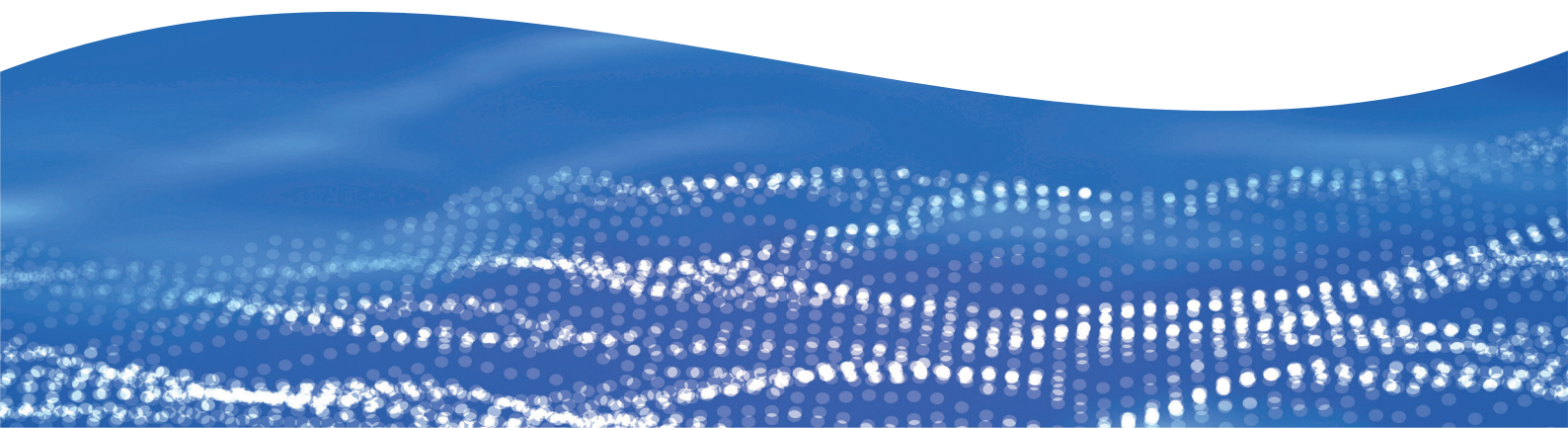




# **Board Governance – Roles, Induction and Scorecards**

**IMCA G002 Rev. 2.1  
April 2024**



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### Version history

Date	Reason	Revision
April 2024	Quality assurance check – preface and layout updated; no change to content	Rev. 2.1
April 2023	Post COVID Review	Rev. 2
January 2017	Initial publication	Rev. 1

## **1 Introduction**

IMCA aspires to have the highest quality governance. This will ensure that we deliver maximum benefit to our Members<sup>1</sup>.

In 2016 we re-organised and streamlined our governance structure, the details of which are set out in our *Articles of Association* and our *Bye-laws*.

These documents are summarised in our *Governance Handbook* which also sets out what is expected of everyone involved in our governance and everyone that serves on our committees.

This document adds to the programme by setting out in an easily accessible format the governance expectations for the Board.

It is designed to assist directors taking key roles in IMCA and to deliver board performance to the highest standard of corporate governance.

We hope you find it helpful.

**Iain Grainger**

**Chief Executive**

**April 2023**

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<sup>1</sup> This document follows the IMCA convention of using an initial capital letter when referring to Members of the organisation but a lowercase letter when referring to members of committees etc.

## 2 Roles

### 2.1 Board Role

The *IMCA Governance Handbook* sets out the role of the Board and thus of the Board directors as to:

- 1) Agree the mission, values, and strategy of IMCA.
- 2) Monitor the legal compliance of the association.
- 3) Provide strategic leadership to IMCA, anticipating changes in the business and regulatory environment and take action to ensure the success of the industry.
- 4) Monitor and secure the economic viability of the association including approving the annual budget and to approve the annual Directors' Reports & Financial Statements.
- 5) Review and agree the business plan presented by the Chief Executive.
- 6) Monitor the progress of IMCA against its overall plans.
- 7) Agree and monitor high level policies of the association, including the competition law compliance policy, retention and disposal of documents, complaints and appeals by Members.
- 8) Appoint the Chief Executive and provide them with appropriate guidance and support and monitor their performance.
- 9) Establish and implement Membership criteria for the association and provide appropriate accountability to the Membership.
- 10) Guide and support the President, Vice-President and Chief Executive and other designated spokespeople as the public voice of the association within the trade and associated arenas.
- 11) Ensure tight integration of the high-level strategy to provide leadership to the industry through the work of the Committees.
- 12) Review and monitor the governance of the association and their own performance as the governing body.

### 2.2 IMCA President – Role Description

#### Purpose

With the Chief Executive, to lead the organisation in line with its constitution, strategy and values.

#### Main duties

To:

- 1) Chair the **Board** so that it delivers its role and makes informed decisions that are properly executed.
- 2) Chair any **general meetings** of Members and other high-profile events.
- 3) With the Chief Executive, lead on devising and revising IMCA's **strategy**.
- 4) Lead the Board in overseeing the **financial performance** of IMCA.

- 5) Be the key **public figurehead** of IMCA.
- 6) Anticipate issues that should be considered by the Board, and with the Chief Executive plan **Board agenda**.
- 7) Guide, supervise and appraise the **Chief Executive**.
- 8) Be the primary **guardian of the values** of IMCA.
- 9) Keep in touch with the views of Members and ensure the organisation **delivers for its Members**.
- 10) Assist the Chief Executive to motivate and guide **other officers** of IMCA, e.g. committee Chairs and the Secretariat.
- 11) Lead periodic reviews of the **performance of the Board**.
- 12) Play an appropriate role in succession planning for the role and help induct their successor.

#### **Responsible to**

The IMCA Board

### **2.3 Vice-President – Role Description**

#### **Purpose**

To support the President in leading the organisation in line with its constitution, strategy and values.

#### **Main duties**

To:

- 1) **Deputise** for the President when required
- 2) Take on other specific governance responsibilities as **delegated** by the President
- 3) Work with other governance officers and committee chairs to **support the President**
- 4) Be a **critical friend** to the President.

#### **Responsible to**

The Board through the President

It is assumed that in normal circumstances the Vice-President will become the next President.

### **2.4 Director Responsibilities**

IMCA's legal structure consists of a parent company (IMCA Holdings Ltd) and a subsidiary (IMCA Trading Ltd). The Board of the parent company is the ruling body of IMCA. The constitution comprises the *Articles of Association* (the company's laws) and *Bye-laws* (regulations and ways of working). The parent is limited by guarantee and the subsidiary is limited by shares. The trading company employs the Secretariat and conducts commercial business in support of the Association. Both are legally constituted private companies registered in England with the government agency called *Companies House*.

<https://www.gov.uk/government/organisations/companies-house>.

Directors' duties are defined in law under the *UK Companies Act 2006*. (<http://www.legislation.gov.uk/ukpga/2006/46/contents>).

It is a complex area of law, but the overriding legal requirement is to act honestly, competently and conscientiously. Many duties arise because a director acts as a fiduciary for members (shareholders) of a company; as such directors should see themselves as custodians of the company and not theirs to deal with as they wish.

The UK's *Institute of Directors* (<https://www.iod.com>) provides extensive literature on the duties and responsibilities of company directors. The *Companies Act 2006* describes seven key duties, summarised as follows:

- 1) Act within powers in accordance with the company's constitution (*Articles of Association and Bye-laws*) and to use those powers only for the purposes for which they were conferred.
- 2) Promote the success of the company for the benefit of its members as a whole, taking into account: the likely long-term consequences of decisions; the interests of employees; relationships with suppliers, customers and others; the impact on the community and environment; reputation; and the need to act fairly between members of the company.
- 3) Exercise independent judgement. A director is to act in the best interests of the company as a whole and not represent the interests of one shareholder or group of shareholders.
- 4) Exercise reasonable care, skill and diligence. Two tests apply: a director must have the knowledge, skill and experience reasonably expected for the role; and must perform according to the knowledge, skill and experience they actually have.
- 5) Avoid conflicts of interest. Directors obligations must not clash with other interests they have or obligations they owe to others. Transparency in their dealings and relationships is vital.
- 6) Not accept benefits from third parties. Acceptance of such is only permitted if it cannot be reasonably regarded as likely to give rise to a conflict of interest. Note the UK has extensive laws on anti-corruption with the *Bribery Act 2010*.
- 7) Declare an interest in a proposed transaction or arrangement.

## 2.5 Corporate Insurance Programme

IMCA maintains a corporate insurance programme for IMCA Holdings Ltd and IMCA Trading Ltd. This includes D&O and PI insurance. Details can be provided by the CEO upon request.

### 3 Induction Checklists

#### 3.1 President and Vice-President Induction

It is likely that an incoming President and Vice-President of IMCA will be knowledgeable about the organisation. This is therefore a simple checklist for induction. The Chief Executive and outgoing President may wish to support and guide the induction. The main activities will be reading and meeting or phoning people.

##### Reading

- ◆ *Articles, Bye-laws, and Governance Handbook*
- ◆ Role descriptions
- ◆ The current Strategic Plan
- ◆ Website
- ◆ Brief history
- ◆ Recent annual Directors' Reports & Financial Statements
- ◆ The most recent Independent Auditors Report
- ◆ Biographical notes of fellow Board members
- ◆ CVs of IMCA CEO and senior managers of the Secretariat
- ◆ A selection of recent IMCA publications
- ◆ Recent media releases
- ◆ Recent Board papers and Board minutes
- ◆ Recent technical committee minutes
- ◆ Trade Association Forum guidance as appropriate, for details contact the CEO.

##### Induction meetings or phone calls with:

- ◆ Last President – to include hearing lessons learnt about chairing IMCA
- ◆ Vice-President
- ◆ Other Board members, many Presidents will elect to meet each Board member individually in their first six months of office
- ◆ Other key officers, e.g. Chairs of main committees
- ◆ Chief Executive – to include agreeing ways of working together and methods and frequency of contact
- ◆ Technical Director
- ◆ Secretariat staff at the invitation of the Chief Executive
- ◆ Chair or Executive of an appropriate fellow trade association if desired.

### 3.2 Director Induction Checklist

This is a checklist for director induction. The Chief Executive or a colleague will be available to support and guide induction. The main activities will be reading and meeting or phoning people.

#### Reading

- ◆ *Articles, Bye-laws and Governance Handbook*
- ◆ The role description and that of President and Vice-President
- ◆ The current Strategic Plan
- ◆ The Competition Law Compliance Policy
- ◆ IMCA website
- ◆ Recent and Directors' Reports & Financial Statements
- ◆ The most recent Independent Auditors Report
- ◆ Biographical notes of fellow Board members
- ◆ CV of CEO
- ◆ A selection of recent IMCA publications
- ◆ Recent media releases
- ◆ Recent Board papers and Board minutes
- ◆ Recent Board Meeting minutes

#### Induction meetings or phone calls with:

- ◆ President
- ◆ Chief Executive
- ◆ Technical Director, and Secretariat staff at the invitation of the Chief Executive



## **4 Scorecards**

### **4.1 Appraisal of the Board**

This model questionnaire is for members of the Board, the CEO and Technical Director.

It seeks your views on the governance of IMCA and aims to assess the performance of the Board. It should be completed every two years; additionally, the Chair will hold individual feedback sessions with each director. The process will be managed by the Chair supported by the CEO.

The questions are set out under the headings of codes of governance. There is a free text question at the end of the questionnaire that allows you to add any thoughts on governance.

YOUR NAME: .....

Roles	Very Well	Well	Okay	Poor	Very Poor
Q1. How well do you understand your role on the Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q2. How well informed is the Board in order to fulfil its role?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Delivery of purpose	Very Well	Well	Okay	Poor	Very Poor
Q3. How clear are IMCA’s strategic objectives?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q4. How satisfied are you that IMCA has clear and realistic plans for achieving its strategic objectives?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q5. How well does the Board monitor the achievement of IMCA’s strategic objectives?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q6. Overall, how effective has IMCA been in achieving its strategic objectives in the last two years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effective governance working	Very Well	Well	Okay	Poor	Very Poor
Q7. How satisfied are you that Board contains the right balance of skills and experience for its governance role over the next few years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q8. How confident are you that Board members operate in an atmosphere of openness, confidence and mutual trust?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q9. How effectively does the Board perform as a team?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q10. How effective is the relationship between the Board and CEO?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Control of IMCA	Very Well	Well	Okay	Poor	Very Poor
Q11. How confident are you of the financial controls at IMCA?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leadership	Very Well	Well	Okay	Poor	Very Poor
Q12. How well has IMCA provided industry leadership?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q13. How satisfied are you with the level of governance skills found within the current Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integrity	Very Well	Well	Okay	Poor	Very Poor
Q14. How well does IMCA follow its competition rules?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Accountability	Very Well	Well	Okay	Poor	Very Poor
Q15. How well does the Board take into account the needs of its various Members?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General					
Q16. Are there any ways that you think the governance of IMCA could be developed or is there anything else you would like to say about the governance of IMCA?	Click or tap here to enter text.				

## 4.2 Appraisal of the IMCA Chief Executive Officer

The annual appraisal of the CEO will usually be conducted by the President. The President seeks input from the CEO, fellow Board directors and may also do so from senior members of the Secretariat.

The key questions are:

- ◆ What has the CEO done particularly well over the last year?
- ◆ Going forward what would you like the CEO to do more of, less of or do differently?
- ◆ What other comments do you have on the performance of the CEO?

In addressing these questions you may wish to consider aspects of the CEO's role such as:

### External facing

- ◆ Ensuring IMCA complies with the law and relevant regulations
- ◆ Alongside the President and Board, advocating for the industry
- ◆ Ensuring IMCA delivers value for its Members
- ◆ Drawing effectively on the skills of Members
- ◆ With the Board providing leadership to IMCA

### Governance

- ◆ Contributing to their relationship with the IMCA Board
- ◆ Maintaining a productive relationship with the President
- ◆ Leading the generation and execution of strategy
- ◆ Ensuring appropriate financial planning and control

### Internal

- ◆ Leading the Secretariat to operate effectively and efficiently
- ◆ Generating an appropriate culture amongst staff to recruit, retain and support quality staff
- ◆ Generating appropriate pace and momentum in the Secretariat