**Charity Governance Code Consultation**

**Response by the Institute of Fundraising**

**February 2020**

## ABOUT US

The Institute of Fundraising is the professional membership body for UK fundraising. Our mission is to support fundraisers through leadership, representation and education, and we champion and promote fundraising as a career choice. We have over 600 Organisational members who bring in more than £10 billion in income, and over 6,000 Individual members.

## GENERAL COMMENTS

We welcome the focus and attention that this consultation brings to the diversity principle of the Charity Governance Code. By prioritizing this, rather than wait until the full Code review in 2023, the consultation acknowledges how important it is to good governance and effective leadership that this principle reflect best practice and understanding.

Trustees and charity leaders are key levers for change, playing a vital role is setting the tone for charities. In a context where only 6.6% of the top 500 charities’ boards are from BAME backgrounds and only 34% are women[[1]](#footnote-2), including diversity in the Code is a vital message to boards that the status quo is not good enough and charities can’t achieve excellence without recognizing and addressing this.

The importance of having this incorporated in the Governance Code has two elements: the first is to help individual charities have the right conversations at a leadership level to improve EDI in their organisation; while the second is in instigating change across the whole sector through recognition of the importance of this for all charities and as a collective endeavour to improve EDI across the board.

That said, as the consultation rightly highlights, diversity alone is not sufficient. Our vision at the Institute of Fundraising is of an equal, diverse and inclusive profession, where everyone is the right fit. We published our EDI strategy for the fundraising profession last year, which set out why change is needed and the actions we’re going to take as an organisation to enable and catalyse this. This acknowledged that that we need the entire sector, from trustees to human resource professionals, to embrace equality, diversity and inclusion; as such, it is important that the Code establishes the right approach to guide action at the highest levels of the sector.

We have responded to specific questions relevant to our work below.

## RESPONSES TO QUESTIONS

**Should the Diversity principle be renamed, for example to ‘Diversity and Inclusion’ or ‘Equality, Diversity and Inclusion’ to reflect good practice in this area? Please explain your response.**

Renaming the principle “Equality, Diversity and Inclusion” would better capture the full spectrum of inequalities that need addressing in the profession; whether the under-representation of disabled and black, Asian and minority ethnic (BAME) charity professionals at all levels, the under-representation of women in senior roles, or LGBT+ fundraisers not necessarily feeling comfortable being themselves at work.

At the IoF, we’ve set out our vision for an equal, diverse and inclusive profession where everyone is the right fit. We emphasise more than just diversity, because facilitating diverse individuals to join an organisation doesn’t necessarily mean that they are equally able to contribute and flourish without prejudice or barriers. Inclusive cultures are essential to ensuring people are able to bring their whole selves to their professional roles and are valued for the difference they bring and make.

The Code rightly acknowledges the benefits of diverse thought, perspectives and experiences, but without inclusivity charities will not see the full extent of these benefits. For example, the Code references that diverse boards “are more likely to encourage debate and to make better decisions”, but the presence of diverse voices doesn’t necessitate that they’re listened to or valued. To embark on diverse recruitment without actively promoting inclusivity overlooks retention and the sustainability of this recruitment; and, further, risks exposing trustees to exclusionary behavior by replicating the status quo – the same culture, behavior, and attitudes – but with a different composition of trustees.

Ideally, inclusion would be integrated throughout the Code to reflect how it needs to be threaded throughout trustee practice. But working with the structure of the Code, the expanded definition of the principle should be incorporated into the ‘Key Outcomes’, which currently refer to diversity and equality, but not inclusion. EDI should be a

**Is there any additional or different recommended practice that should be included as part of this principle regarding diversity? Please provide further information.**

Broadly the recommended practice touches on the areas you might expect: encouraging inclusive and accessible participation; recruiting diverse trustees; and monitoring and reporting on diversity. *Below we include brief comments on the first two sections:*

**Inclusive and accessible participation**

* **6.3.3.** *“The Chair regularly asks for feedback on how meetings can be made more accessible and how to create an environment where trustees can constructively challenge each other and all voices are equally heard.”*
* The importance of the Chair in tone-setting and culture-modelling cannot be understated. The points in this recommendation might be better emphasized if it was split into two clear behaviours: one on the importance of welcoming continuous feedback, acting on it, and creating an environment open to learning and constructive challenge; the other on the role of the Chair in encouraging all board members to contribute and making sure all voices are heard.
* On accessibility: it could be worth inviting consideration of more intangible obstacles to participation. For example, might the very format and structure of board meetings be exclusionary? Are lengthy board papers the best way to get the most out of trustees or are there better ways to invite comment?

**Recruiting diverse trustees**

* Most obviously missing from the recommendations is any reference to retention, without which boards are at risk of losing the diverse talent that they worked to recruit.
* Good practice in this area must be about more than just getting diverse professionals into the room - diversity should not be reduced to box-ticking. Instead boards need to think more long-term about the environment they’re recruiting people into.

1. Charities: Inclusive Governance 2018, Inclusive Boards: <https://www.inclusiveboards.co.uk/charity-governance-2018> [↑](#footnote-ref-2)