

ICOM UK

Governance Review Report

Final

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EXECUTIVE SUMMARY

The International Council of Museums (ICOM) is the global organisation of museums and museum professionals committed to the conservation of the world's natural and cultural heritage and is a non-government organisation, based in France.

ICOM UK is the national branch of ICOM in the United Kingdom and is the gateway to the global museum community. ICOM UK is a membership organisation and member services include:

- ICOM Card: Free/reduced cost access to a range of museums and major temporary exhibitions worldwide
- Guidance on working internationally
- Travel Bursaries
- Access to international museum professionals
- Regular news e-mail, and
- Uses its AGM to update members on UK based and international projects.

A major role of ICOM UK is to recruit ICOM members, however ICOM UK also offers additional benefits over and above those provided by ICOM. ICOM UK is a small Charitable Company Limited by Guarantee (CCLG) and regulated in the UK by both Companies House and the Charity Commission. As such, fully paid-up ICOM UK members have the right to attend and participate in ICOM UK General Meetings and have the option to take a more developmental role by joining the ICOM UK Executive Committee. As ICOM members they have access to international opportunities including participation on the ICOM Executive Board and International Committees.

ICOM UK, as one of ICOM's 124 National Committees¹, needs to additionally meet ICOM's governing Statutes² and Internal Rules³. The ICOM Statutes and Internal were last updated and adopted on 9th June 2017.

Governance Review

The scope of the Governance Review is to:

1. Review ICOM UK's current governing documents and processes against UK company and charity regulations as well as ICOM's Statutes and Internal Rules
2. Facilitate a strategic Away Day for the ICOM UK Committee
3. Review ICOM UK's governance structures to support ICOM UK achieve its vision and mission
4. Support ICOM UK learning from other comparable sector membership organisations by undertaking a governance benchmarking review
5. Consider both current and alternative organisation structures for the maximum benefit of ICOM UK's members and its programme of work

¹ Source: www.icom.museum/en/network/committees-directory

² <https://uk.icom.museum/about-us/policy/>

³ https://icom.museum/wp-content/uploads/2018/07/2017_ICOM_InternalRules_EN.pdf

ICOM UK's Legal and Governance Structures

As an incorporated organisation, ICOM UK's key strength is its ability to enter into contracts in the name of ICOM UK rather than with the Executive Committee (trustees). The key weakness is that the Executive Committee (trustees) must comply with Company and Charities regulations.

In 2013 the Charity Commission introduced a new incorporated charity structure, known as a Charitable Incorporated Organisation (CIO). The CIO enables contracts in the name of ICOM UK and is solely regulated by the Commission thereby simplifying Executive Committee (trustee) responsibilities.

In Feb 2019, the ICOM UK Executive Committee considered the pros and cons of converting to the CIO. The decision was taken to convert ICOM UK to an association model CIO i.e. a charity with a broader membership than just trustees and for this governance review to apply that decision.

CURRENT ICOM UK REGULATORY STATUS

High level comparison between ICOM UK Constitution and Companies House and Charity Commission identified two sets of differences.

Inconsistent ICOM UK Charitable Objectives

Charitable Objects and Powers recorded with Companies House are more extensive than those recorded with the Charity Commission which is the primary regulator for charitable objects and powers.

ICOM UK's constitution does not have an amendment clause, which if included could have allowed changes to charitable objects but only with the Commission's approval. Neither the changes in charitable objects nor the additional powers are valid.

If desired, these additions can be considered as part of the transition to CIO.

Financial Accounts Incorrectly Flagged as Having Issues

2017 and 2018 Financial Accounts are incorrectly flagged on the Charity Commission's website as 'qualified' i.e. the audit has identified an issue or need for improvement. As funders use the Commission's report for background information these should be corrected. Resolved Nov 2019.

ICOM UK Member & ICOM Member Administration Process

Individual and Student Members

The member administration process for Individual and Student members is consistent for both ICOM and the Commission.

Institutional Members

ICOM and the Commission have different definitions of who is entitled to vote from an institutional member. ICOM allows an institutional member to appoint up to three 'representatives' who are each formally listed on the ICOM IRIS database. As such each 'representative' has the right to vote in National Committee meetings as well as ICOM meetings. The Institutional Member administration process effectively supports ICOM needs.

However, the Commission views the Institution as the member and permits one individual to represent the Institution and vote on its behalf. In practical terms, all three representatives can attend ICOM UK meetings, however just the identified member has the rights to vote and stand for election at an ICOM UK AGM/EGM.

The ICOM UK Institutional Member administration process needs enhancement to formally appoint the ICOM UK member and amend as required. This impacts ICOM UK meetings only. Current institutional member administration process needs adapting to meet the both definitions of 'member' set by ICOM and the Commission.

Supporting Members

Supporting members do not have the right to vote at ICOM UK AGM/EGMs nor ICOM meetings. No changes are needed.

Expulsion from ICOM

If an ICOM member notified ICOM UK that they were no longer eligible to be an ICOM member e.g. moves out of the museum sector, then ICOM UK notifies ICOM which will 'expel' the individual. ICOM UK would remove the individual from the Members Register.

ICOM can review the eligibility of any ICOM member and should they fail to qualify, then ICOM can formally expel that ICOM member. While ICOM UK needs to be consistent with ICOM, the ICOM UK Executive Committee must undertake its own review, make an independent decision based on findings and allow the individual the opportunity to put their own case.

ICOM and ICOM UK are working under different jurisdictions so this is a duplicate process but should be a very rare occurrence. It is hoped that ICOM would share its findings to enable ICOM UK to conclude this process swiftly.

NCVO's Code of Good Governance

The UK's National Council of Voluntary Organisations has established a range of governance guidelines based around the size of a charity which have been endorsed by the Commission. Given ICOM UK's net income, this review assessed ICOM UK against the Code of Good Governance (Code) for micro-charities. i.e. income less than £100,000 and no staff

The Code has seven principles of good governance:

1. Organisational purpose
2. Leadership
3. Integrity
4. Decision-making, risk and control
5. Board effectiveness
6. Diversity
7. Openness and accountability

Each principle has a definition, sets out the legal and regulatory context and gives examples of what good governance looks like.

This governance review used this code to assess ICOM UK's current governance and makes High or Medium recommendations for improvement.

CIO Constitutional Features

A comparison review has been undertaken between ICOM UK's current constitution and the Commission's latest CIO Association template. The CIO reflects the latest best practice and has more features and greater flexibility than the current constitution. Key examples include:

Range of options include ICOM UK Member decision-voting via electronic voting and options for nominated ICOM UK Executive Committee members. At this stage of the project, this report assumes that the ICOM UK Executive Committee will implement the CIO as is with a number of minor variations.

Recommended variations will be recorded as annotations on a printed version of the CIO template, and be included in a first draft Word version of ICOM UK's CIO constitution.

Suspension of ICOM UK by ICOM

While ICOM has the right and process to suspend rights afforded to ICOM UK and its members, legally it cannot close the charity ICOM UK. The impact on the ICOM UK membership is not clear e.g. withdrawal of the Membership Card. It should be noted that ICOM benefits are considered as ICOM UK benefits.

Any outstanding funds received by ICOM UK are still held within ICOM UK bank accounts and could be used to enable delivery of some ICOM UK charitable purposes. If a case can be put-together by a particular funder e.g. Arts Council England, the funder should advise how un-spent grant funds are to be spent or returned.

As a CIO, ICOM UK's Executive Committee has two (2) options for how it can wind-up ICOM UK via a General Meeting i.e. 75% majority of those attending or a resolution without a vote and no dissention. A third option is available without a General Meeting but would require 100% ICOM UK approval in writing.

Implementation

Included in this report is a proposed Governance Improvements Implementation Plan (Appendix I), which groups together the various sets of recommendations and proposes priorities based on levels of impact and inter-dependencies.

The Implementation Plan assumes that the Executive Director will take the primary lead supporting the Executive Committee in its decision-making processes.

Key Milestones

Timeframe		Goal
2020	March	AGM supports conversion to CIO
	April	Election Software Product Selected
	June	Governance vs Operations Review
	July	CIO Submission to the Charity Commission
	Sept	Charity Commission Approval & Closure of Old Company
	Dec	Election Process and Software ready to go live
2021	March	Strategic statements, aims & values @ AGM 1 st ICOM AGM with Electronic Voting
	July - Dec	3 year Forward/Business Plan
2022	Jan	Trustee Mid Term Review
	Dec	ICOM UK Impact Assessment

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