

MERMAIDS

GOVERNANCE REVIEW

Sally Stephens

Senior Governance Consultant

May 2023

Contents

Contents	2
Background & Context.....	3
1. Methodology.....	3
2. Legal form, constitution, and board composition	4
2.1 Board of trustees.....	4
2.2 Board officers	4
2.3 Delegation/committees	5
2.4 Membership.....	5
3. Governance Wheel.....	5
4. Skills audit	6
5. Diversity audit	7
6. Observations and recommendations	8
6.1 Desk review	8
6.1.1 Constitution.....	8
6.1.2 Trustees, board officers and lead trustees.....	9
6.1.3 Working groups/board committees	10
6.1.4 Board meetings, agenda, and minutes	12
6.1.5 Policies	13
6.1.6 Risk Register	14
6.1.7 Website and communications.....	14
6.2 Workshop.....	15
7. Areas of opportunity	16
7.1 Trustee role and responsibilities (code Foundation principle).....	16
7.2 Organisational leadership (code principle 8: Openness and accountability)	19
7.3 Governance in practice (code principle 5: Board effectiveness).....	21
8. Full recommendation list	24

Background & Context

Mermaids is a charity which works to support trans¹ children, young people, and their families. The organisation was established in 1995, and now works with thousands of beneficiaries through secure online communities, local groups, resources, and information available through their helpline, and events including residential weekends. It is a Charitable Incorporated Organisation (CIO) constituted under the foundation model.

Mermaids describes their work in the following way:



Mermaids supports transgender, nonbinary and gender-diverse children and young people until their 20th birthday, as well as their families and professionals involved in their care.

Transgender, non-binary and gender-diverse children and teens need support and understanding, as well as the freedom to explore their gender identity. Whatever the outcome, Mermaids is committed to helping families navigate the challenges they may face.

Mermaids has a staff team led by an interim Chief Executive Officer and senior executive team. The staff team have responsibility for delivery of Mermaids programmes of work, support for beneficiaries, and the general administration of the charity.

Since incorporation in 2015, Mermaids has experienced significant growth and change. The charity has been subjected to significant external scrutiny and criticism in national media, has engaged in a high-profile legal case with another organisation, and has recently been subject to statutory inquiry by the Charity Commission. Internally the board has experienced significant turnover and the organisation has seen a change to senior leadership with a new interim CEO replacing a long-standing CEO. The organisation has also grown in terms of the number of beneficiaries it reaches and has seen an increase in the level of donations it accesses.

1. Methodology

This review was formed of 5 key stages:

1. Desk work reviewing key governing documents and policies
2. Surveys (governance, skills, and board diversity)
3. One to one interviews with 9 trustees and 4 senior staff members

¹ Mermaids gives the following definition for the term trans.

“We use 'trans' as an umbrella term for people that are binary trans, non-binary, genderqueer, genderfluid, agender or of other non-cisgender genders, including those of non-Western origin.”

4. Bringing the desk work and discussions together in this report setting out some key themes with recommendations for development in line with the code.

We are very grateful to Mermaids for inviting us to carry out this review and thank everyone involved for the time and effort they committed.

Nothing in this report should be taken as criticism of any individual. By its nature, our review and this report focusses on areas to improve governance and makes recommendations. It does not identify all the strengths and areas of good practice which we were told about and came across.

This review represents a snapshot based on our interaction with the organisation. Our aim is to provide recommendations on and to support the development of governance. Whilst we make recommendations, this was not a holistic exercise and should be considered alongside other information before implementing recommendations, particularly as regards time commitments and resources. Nothing in this report is intended to be, nor should be taken as legal advice.

2. Legal form, constitution, and board composition

Mermaids is a Charitable Incorporated Organisation (CIO) in the foundation model, established in 1995, registered as an unincorporated charity in 1998 and incorporated in 2015. The charity is governed by a constitution.

2.1 Board of trustees

The constitution states that:

9.(3)

- (a) There must be at least three charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee.
- (b) There is no maximum number of charity trustees that may be appointed to the CIO

There is no fixed term of office set out for trustees, who instead are required to retire by rotation on an annual basis (but may be re-elected).

Quorum for the purposes of decision-making is set at a minimum of two trustees or one third the total number of trustees, whichever of these is greater.

2.2 Board officers

The Mermaids board includes a chair, vice-chair, and treasurer. Each of these honorary offices is selected by the trustees from within their number. The trustees may remove or replace any officers at any time.

2.3 Delegation/committees

The board of Mermaids has the authority under clause 14 of the constitution to establish one or more committees for any area which will support decision-making. There is currently a Finance, Audit & Risk subcommittee, HR & Remuneration subcommittee, and a Safeguarding subcommittee.

2.4 Membership

The members of the charity are the trustees, and there is no wider membership.

3. Governance Wheel

The trustees and senior management were asked to complete the NCVO Governance Wheel. This tool is a simple method to assess board effectiveness against the code's eight principles and corresponding practice. Accordingly, the results in this section present a good reflection of how the board members feel about the governance. A total of eight trustees participated in the governance wheel exercise, as did four members of senior staff.

Individuals were asked to score performance out of 10, with 10 being a level of mastery beyond where many boards get to and being a role model for other organisations and 1 being that the board is not functioning and is unaware of risk. Whilst there is an element of subjectivity to the exercise, individuals are presented with clearly defined outcome descriptors which relate to the code for each area and score. We have considered the scoring alongside the pre-reading materials we were provided with, other information and observations.

Governance Wheel findings

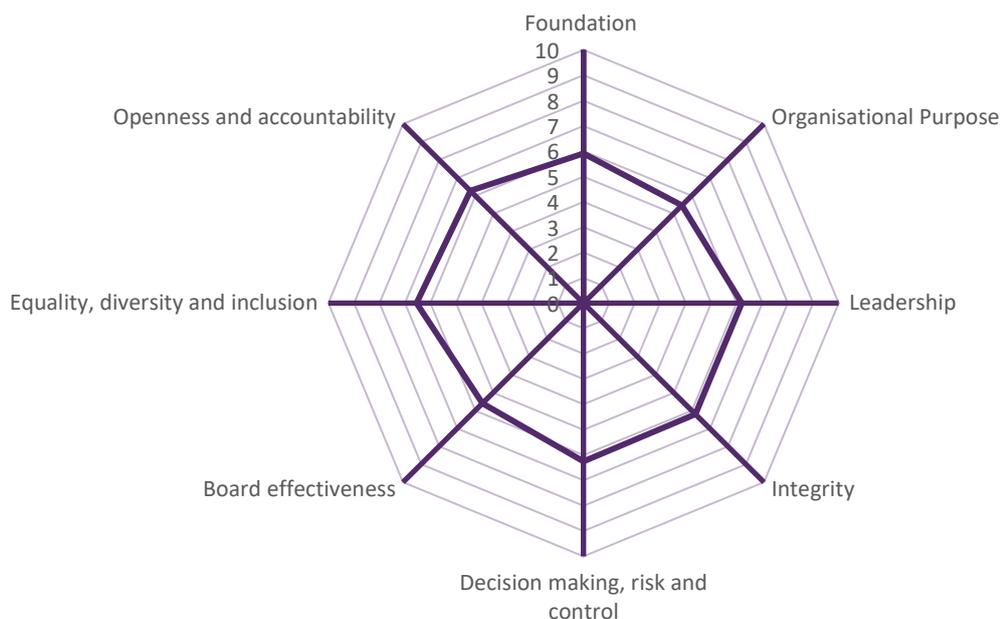


Figure 1 - Governance wheel graph

Average: represents the mean response: the value obtained by dividing the sum of several quantities by their number.

Range: represents the spread of responses, with the value representing the difference between the lowest and highest values.

Principle	Average Score	Range
Foundation	5.9	6
Organisational purpose	5.5	5
Leadership	6.2	6
Integrity	6.2	4
Decision making risk and control	6.3	3
Board effectiveness	5.6	5
Equality, diversity and inclusion ²	6.5	3
Openness and accountability	6.3	7

Overall, these scores show Mermaids working in the ‘getting a grip’ level against the standards established in the code. There is a more significant range in scores in the areas of Foundation, Leadership, and Openness and accountability. The greatest range is in the final area, where the highest score given is 9 and the lowest 2.

The average highest scoring area is Equality, diversity, and inclusion, with a score of 6.5 (‘getting a grip’). The lowest average score is in relation to Organisational purpose, 5.5 (‘getting a grip’).

4. Skills audit

As part of the review, trustees were invited to complete a skills audit. Eight trustees shared their level of skill across 25 skill areas, identifying whether they felt themselves to be an expert, experienced, to have some understanding, or see a development need in the given area. This exercise is based on a self-declaration and as such has some limitation and as such should be considered alongside other recommendations in this report. The full results of the audit are included in appendix 1 of this report.

Analysis of the results from this audit are set out in the table below and show where the charity has particularly high levels of skill as well as areas the charity might like to consider strengthening in the future. High levels are determined by those areas where there are

² The Charity Governance Code uses the term ‘Equality’ within the context of the acronym EDI, where Mermaids internally use the term ‘Equity’. In this report we use the term equality when referring directly to the Code, but otherwise use equity in line with Mermaids chosen language.

several trustees who are experts or have experience in the given area. Lower levels of expertise are those areas where there are no experts, or a high number of people see the area as a development need.

High level of expertise	Lower level of expertise
Strategic development and planning	Managing investments
Team working	Cyber security and risks
Risk management	Digital and IT
Safeguarding	Company law and regulation

Alongside the areas highlighted above, trustees shared an interest in upskilling the board in the areas of HR and EDI (from a professional point of view), as well as strongly advocating for greater board diversity in terms of lived experience. Feedback in this area particularly highlighted a desire to bring in more intersectional lived experience of the trans community.

5. Diversity audit

The trustees of Mermaids also participated in a diversity audit, responding to questions based on the UK census as well as some additional questions looking at socio-economic background. The full results of the diversity audit are included in appendix 2. Broadly speaking, the Mermaids board has strong levels of diversity in most characteristics we tested, though could further improve in terms of diversity of ethnicity and in terms of age where the scores are lower than national averages for distribution.

Several of the comments in the survey feedback and through interviews reflected a desire to see the diversity of the Mermaids board continue to develop.

Through our interviews we examined this area in greater detail, asking trustees and staff about their aspirations for diversity in the organisation. There was a collective acknowledgement that the charity has come a long way in terms of EDI more broadly since a recently commissioned external report into EDI and internal culture, and a clear desire from the board to ensure that the leadership of the organisation reflects the broad range of communities which Mermaids seeks to engage and serve.

6. Observations and recommendations

This section captures some observations and assessments made during this review. It reflects our desk research, the responses to the surveys, and the one-to-one conversations.

Our overall reflection from our engagement with the charity is one of trustees who are committed to the organisation and who want to engage in good governance, but who recognise the challenge of high levels of board turnover as well as the highly reactive nature of the board's work in recent years. Some governance 'infrastructure' is in place already including policies, risk registers, and a new scheme of delegation, but the board and CEO recognise this can be enhanced through the practices implemented by the board.

We hope that this review will support and strengthen the board's work and confidence through the next stage of its evolution.

6.1 Desk review

We were given access to a range of board documentation, including board minutes and agendas, annual reports and accounts, conflicts of interest policy and trustee role description.

Further specific observations and recommendations are made in the report.

6.1.1 Constitution

The charity is governed by a constitution, developed in 2014 and amended in 2016. The constitution sets out provisions for trusteeship, membership, and the termination thereof, and the procedures for convening meetings of trustees and members.

The constitution is set out clearly and contains all necessary provisions for the effective running of the organisation, including provisions which allow for remote or hybrid meetings. At times the constitution makes use of gendered pronouns, and in any future amendment of the constitution we would recommend removing these in favour of gender-neutral options to ensure the document is as inclusive as possible.

The constitution includes provision for establishing rules or byelaws to support the working of the organisation (clause 25). We did not see any rules as part of our review, and would recommend the board considers creating rules to support the constitution by giving additional detail to the following clauses:

- **9. Charity trustees.** We recommend a rule setting out the trustee role description, as well as role descriptions for honorary officers.
- **10. Appointment of charity trustees.** We recommend a rule outlining the full process of appointment.

- **12. Retirement and removal of charity trustees.** We recommend a rule setting out the process for removing a trustee under subclause (4)(c) of this point, clarifying the understanding of prejudicial conduct and any complaint and appeal process.
- **14. Delegation by charity trustees.** We recommend including terms of reference for subcommittees within this rule.

Recommendation:

1. Create a set of rules to support the constitution, which set out governance processes for the charity in plain English or global English.

6.1.2 Trustees, board officers and lead trustees

Clause 10 of the constitution describes the appointment process for trustees which is by appointment at a properly convened meeting of trustees with retirement by rotation. The clause also sets out that candidates will be selected through an appointment process which has regard for the skills, knowledge, and experience needed for effective administration of the CIO. Through our interviews we heard positive experiences from recently appointed trustees of this process, though some noted that the process itself was not always clearly set out to applicants and timelines were not always well communicated.

There are no terms of office set out for trustees in the constitution as retirement is by seniority and through a rotational pattern. The trustee role description we reviewed stated a term of three years, with reappointment for a further term.

Throughout our review we acknowledged that turnover on the Mermaids board has been considerable in the past few years, and this is in part due to the challenging socio-political context in which the charity operates, which naturally can take a personal toll on trustees. This turnover has been forced by the personal circumstances of trustees as well as the turbulence within the organisation and has led to a feeling of instability within the board. We recommend setting a realistic term of office for trustees which acknowledges the challenging nature of the role and creates a clear vision for the charity of planned, rather than forced, succession. We suggest two years as a reasonable term.

The constitution details the powers of Trustees (clause 9(1)), but this is not detailed and the role, responsibilities, and obligations of trustees in general are not set out here. We did see a trustee role description as part of a recent application pack which sets out the duties of trustees at Mermaids as well as mentioning some of the values Mermaids expects the board to reflect. The role description also includes key terms including reference to payment of reasonable expenses and an estimate of the time commitment.

The board has a chair, vice-chair, and a treasurer. The role of these honorary officers is not clearly articulated in the constitution, and we did not see a defined role description for these officers as part of our review of documents.

Recommendations:

2. Review the term of office for trustees. We recommend two years with the possibility of reappointment up to a maximum of six years.
3. Review the [trustee role description](#) and create officer role descriptions, ensuring they are accurate and understood by all trustees.

6.1.3 Working groups/board committees

The constitution of the charity sets out that the board may ‘delegate any of their powers or functions to a committee or committees, and if they do, they shall determine the terms and conditions on which the delegation is made’ (clause 14(1)).

The board currently has two committees, the Finance, Audit and Risk committee (FAR) and the HR & Remuneration committee. The board also operates several advisory groups which include trustees including an EDI group, GDPR group, Safeguarding group, and a Research Ethics committee. The board is also informed by the Youth Advisory Panel.

We are aware that the terms of reference for these groups and committees are not entirely consistent, and we would recommend that the board review these documents ensuring that the terms of reference for committees especially are clear and correctly align to the scheme of delegation.

NCVO has a [template for terms of reference documents](#), which should set out:

- The membership of the group
- The remit of the group (what they should and shouldn't discuss)
- Any decision-making powers of the group
- Where the group reports

Part of creating effective structures is recognising where activity should be delegated. Board subcommittees are most effective when they give extra assurance to the board, by creating space for discussion with experts outside of the board meeting. We recommend that the Mermaids board review their delegations to committees and working groups, ensuring that trustee skills and experience are being most effectively used alongside the skills and experience of the staff team and any other advisors and volunteers.

There are a range of models available for developing delegation within governance. We recommend the Mermaids board considers either a risk-based model, or an operational model. The current Mermaids risk register sets out 19 risk areas. These risks fall into five categories – operational, financial, regulatory, governance, and external. Mermaids would therefore be able to develop a subcommittee structure framed around oversight of these key areas:

Committee	Remit	Related risks
Finance, Audit & Risk Committee	Review all financial decision-making at Mermaids, oversee audit processes and scrutinise risk. (This committee remains the same as in the current model)	4, 12, 19
Operations Committee	Supervise people frameworks in the organisation including oversight of HR policies, development, and organisation structures	2, 6, 7, 8, 9, 10, 13, 17
Governance Committee	Oversee governance processes including trustee recruitment and induction, and review all policies relating to statutory/regulatory compliance	3, 5, 11, 16

The model above does not include three risks, 14, 15 and 18. This is because we would expect these risks to be retained at board level rather than delegated.

An alternative model for delegating authority is through a structure-led approach. This model aligns committees to key areas of operation, allowing trustees to give their expert input and oversight as well as more directly engaging with key staff members.

Committee	Remit	Staff lead
Operations Committee	Scrutinise delivery of Mermaids projects and programmes.	Director of Operations
Services Committee	Oversee financial and administrative management of Mermaids including oversight of governance processes	Director of Central Services
Policy & Communications Committee	Consider external and internal policy & communications positions, with oversight of campaigns as part of this remit.	Head of Policy & Communications

In either model, Mermaids should set out clear and consistent terms of reference for each committee, detailing the remit of the group, regularity and mode of meetings, membership, and any decision-making authority.

Mermaids has recently begun development of a new scheme of delegation. A [scheme of delegation](#) sets out where decisions are made and where bodies or individuals outside of the board are given authority for these decisions. The scheme of delegation can also be helpful in reaffirming those matters which are not delegated and which must be the [reserve of the board](#).

The Mermaids scheme of delegation is clear and comprehensive, making good use of a matrix model to ensure that there is not excessive dependence on and individual or individuals within the organisation.

Recommendation:

4. Establish clear terms of reference for board committees including setting out how they report to the board.
5. Develop a scheme of delegation which clearly sets out the decision-making powers of the board and senior team.

6.1.4 Board meetings, agenda, and minutes

We had the opportunity to review agendas and minutes for several meetings held over the past 12 months and observed a remote board meeting in February 2023. We note that because of the organisational turbulence and changes in senior team, alongside the additional discussions needed related to the Charity Commission inquiry, the board has met more regularly than usual in the past six months.

The meeting we observed appeared typical of Mermaids board meetings, with a wide range of business covered and strong levels of engagement from all trustees present. Several Mermaids senior staff were also part of the meeting though it was not clear whether they were expected to contribute. One trustee did not send apologies and did not attend, but this did not prevent the meeting from going forward.

The chairing of the meeting was sensitive but effective, with space given for contributions while a sense of control was maintained. The interim CEO was responsible for presenting the bulk of the material and did so clearly and effectively. Trustees put forward thoughtful and balanced contributions throughout, making explicit reference at points to risk management and the need to be mindful of the charitable objects. The balance of business was appropriate in terms of reflection on strategic issues, consideration of good governance, and operational oversight.

Following the main agenda, the board held a closed session (which is common practice at Mermaids). It was not clear during our observation who was recording decisions made during this session, however we understand that these sessions are fully recorded and minutes held on the trustee secure drive.

The proceedings for meetings of the Board are set out in clause 15 of the constitution and set the quorum for meetings at one third of the number of the board or two, whichever is greater. The trustee role description sets out that typically, board meetings are held quarterly.

Board agendas are set out clearly, with timings given and papers attributed to items as appropriate. Each agenda also includes the schedule of upcoming meetings. More recent agendas also show items clearly noted as for decision and with no time allocated where there is no discussion deemed necessary.

Minutes of board meetings are set out clearly and summarise decisions though actions are not included within the main narrative. These are set out in a log format at the end of the minutes document and show progress of actions from all previous meetings until the point at which they are marked as complete.

The set of board papers we saw were clearly set out and comprehensive in their information, though for some items a large amount of detail was shared through multiple appendices which were not always clearly summarised in the covering paper. We would recommend setting out a standard format for board papers including a summary section to make items as accessible as possible.

Recommendations:

6. Add a summary to each board paper setting out the decision to be made and which areas of strategy/risk are addressed by the item.

6.1.5 Policies

As part of our review, we requested board policies and reviewed the trustee code of conduct and conflicts of interest policy. As part of the board meeting we observed, we also noted the ongoing review of organisational policies and the actions being taken by the board and interim CEO to consolidate and rationalise organisation policies. Through this item we noted the intention to reduce the set of board policies to:

- Trustee code of conduct
- Conflicts of interest policy
- Delegation of authority (as part of the scheme of delegation document)
- Anti-bribery and corruption
- Anti-harassment and bullying
- Disciplinary, capability and grievance (for employees but requiring board oversight)
- EDI
- Whistleblowing
- Data protection
- Safeguarding
- Health & Safety
- Complaints
- Risk management
- Incident reporting and management
- Business continuity
- Financial procedures
- Reserves policy

This list aligns well with the guidance in our [NCVO legal compliance checklist](#) and will provide a strong policy framework for Mermaids going forward. The item at the meeting we

observed also set out a clear review framework ensuring that all the above policies are reviewed on an annual basis. In the longer term, the board may consider delegating authority for policy review to the committees of the board, with reports on this review shared at the quarterly board meetings.

6.1.6 Risk Register

Mermaids has a comprehensive risk register which covers a wide range of both operational and strategic risks. The risk register is well-structured and clearly segments risks into clear categories, setting out overall risk levels, actions proposed, and the status of the risk.

To further enhance the risk register going forward, Mermaids could consider calculating the overall risk score for each risk area (probability x impact), and then recalculating this score following the control procedures (which should either reduce the probability of the risk occurring, or the level of impact). This is represented on the current register through a colour scale, but a numerical scale will give more precision.

Recommendation:

7. Revise the risk register to include risk level once the risk is mitigated.

6.1.7 Website and communications

The website covers the Mermaids objectives and the work it delivers in pursuit of those goals, though there is no formally defined vision, values, or strategic plan available. There is also nothing on the website describing the governance of the organisation and there is no evidence of a publicly accessible complaints policy. There is a very helpful and comprehensive FAQ page.

To help stakeholders and members understand and engage with the organisation we would recommend sharing an overview of governance and some information on how decisions are taken. While we would often recommend listing trustees on the website, we recognise that this is not appropriate in the Mermaids context.

It is also good practice to have a clear complaints policy easily available, setting out how members and the wider public can raise concerns with the organisation. This should also set out the process for handling these issues. This type of policy can also be helpful in managing vexatious complainants by setting out clearly the types of complaint the organisation will engage with.

Recommendations:

8. Add a section to the Mermaids website explaining governance and how decisions are made.

9. Ensure that the complaints policy is easily accessible on the website and demonstrate how to contact the charity with any concerns.

6.2 Workshop

As part of our review process, NCVO facilitated a workshop for the Mermaids leadership group in April 2023. This workshop included three members of the senior team, and eight trustees.

In the workshop, we focussed discussion on two key areas of our review:

- The role of trustees at Mermaids
- Establishment of a strong leadership group

As part of the workshop session, we reviewed the statutory duties of trustees, with attendees participating in interactive exercises to set out how Mermaids trustees deliver the duties in practice and giving consideration to the Mermaids trustee role description and opportunities to strengthen and clarify this document.

In the latter part of the session the group focussed on setting clear boundaries between governance and management, while developing trust and transparency between the board and senior team. As part of this work those present took part in an exercise on delegated authority and creating a clear shared language on delegation, as well as beginning the development of a leadership group code of practice. A draft of this document is included as appendix 4 to this report.

The board and leadership team also discussed the merits of setting out methods of decision-making in the organisation, to support the wider staff team in understanding the leadership role of the board. We discussed the various possible formats for this type of document which might include setting out a narrative policy, developing a broad [RACI matrix](#), or creating a diagram showing how consultation with different groups in the organisation impacts on decision-making.

7. Areas of opportunity

During the review the following key themes emerged, and we thought that a helpful approach would be to highlight more detailed recommendations around these themes.

7.1 Trustee role and responsibilities (code Foundation principle)

One of the most significant themes through our review, both through the survey responses and through our conversations, was the impact of high levels of board turnover on the effectiveness of the board (both perceived and actual) and confidence of trustees in their roles and their leadership of the organisation.

While Mermaids should be incredibly proud of their work and the development of the organisation in the past year, it is important to recognise that the board turnover has weakened confidence in governance both internally and externally. Developing clear frameworks for planned succession as well as growing confidence of the existing trustees will have a significant impact within Mermaids.

7.1.1 Trustee induction and training

There is currently a role description for trustees at Mermaids, but this is quite light-touch and not formalised outside of recruitment materials. The role description sets out the Mermaids context, and purpose, before setting out a list of core responsibilities, the time commitment for trustees, and skills and behaviours which trustees are expected to embody. To ensure the role description is accurate, we recommend a review of this document.

Despite this role description, we saw minimal evidence of a clearly defined trustee induction process, helping trustees to fully understand their role and responsibilities in the context of the organisation.

As recommended in section 6.1.2 of this report, Mermaids should review the trustee role description for accuracy, and Mermaids should develop a clear trustee induction process. The trustee induction programme should include:

- meetings and introductions with the chair and treasurer, and other trustees
- briefings with the staff team on their areas of operation and current priorities
- invitations to meetings and any relevant events and networks
- documents for a [trustee induction pack](#) including:
 - A copy of the constitution and any rules
 - The most recent annual report and accounts
 - The organisation strategy or current business plan
 - Key policies for trustees such as expenses, conflict of interest, anti-bribery, and whistleblowing
 - Biographies of other trustees
- buddying or coaching between more experienced trustees and incoming trustees

There are many organisations who offer trustee training on a regular basis, including NCVO, and we have a short [e-learning module](#) which trustees can complete in their own time, providing a very cost-effective option for both induction and for trustees refreshing their knowledge.

Recommendations:

10. Develop a formal induction process for trustees, ensuring that they are fully aware of their role and responsibilities.
11. Participate in trustee training, both at induction and as a refresher for experienced trustees.

7.1.2 Skills and diversity mix

Mermaids currently benefits from a positive range of skills and experience. However, all trustees reflected that the board could benefit from a greater number of trustees and some specific skills including greater expertise in HR, youth advocacy, and equity, diversity, and inclusion. The board also aspires to achieve greater diversity at board level in particular through trustees with lived experience as a trans person.

Diversity

As part of the 2020 review of the Charity Governance Code, revisions were made to the Equality, diversity, and inclusion principle. These changes make the code much more intentional in this area and provide an excellent framework for trustees looking to focus on EDI improvements. The article '[Equality, diversity and inclusion is good governance](#)' sets out some of the key stages organisations will go through in making EDI change. These include:

1. Defining why EDI is important to your organisation
2. Setting context-specific goals which start from your current reality
3. Taking action to achieve those goals
4. Sharing progress and being accountable for how that action is going
5. Recognising that EDI is an ongoing journey

We know that Mermaids is already on an important organisational journey around EDI and the evidence of this was clear throughout our work with the organisation. It is important that as the board leads change in the wider organisation, they also develop a clear and contextual plan for diversity at board level, including creating clarity around what it means to the board and organisation to be “trans led”.

Skills

We note in section 4 of this report that while Mermaids has skilled trustees, there are a few areas of weakness and a degree of risk that certain key skill areas (for example cyber security and digital) do not have expertise reflected on the board.

Increasing the size of the board will enable Mermaids to tap into a wider range of skills and personal experience, but the organisation should continue to assess skills mix on a regular basis and consider where trustees might benefit from support in developing their existing skills to better serve the organisation. Appendix 1 to this report includes skills matrix data for Mermaids trustees, showing not only where trustees have existing knowledge but also where there are opportunities for trustees to upskill.

Since 2017, the Code has recommended that, in addition to a collective board review, trustees of larger charities should reflect on their individual contributions. As Mermaids develops, we advise a more light-touch approach using individual trustee reviews. The aim should be to allow trustees to reflect on their own development and help individuals form personal commitments in terms of using their skills for the benefit of Mermaids. NCVO has produced detailed guidance on various approaches to [individual trustee review](#), which includes some [questions for self-reflection](#). In time, Mermaids could evolve the trustee annual review process to allow for another trustee to listen to an individual's reflections on performance and offer a perspective against the trustee role profile.

Recommendations:

12. Develop a clear and contextual EDI plan for the organisation and the board.
13. Set up a trustee annual review process, initially using a self-reflection approach.

7.1.3 Trustee recruitment

At the start of this section, we acknowledged the significant turnover on the Mermaids board, which has resulted in a period of “forced” succession for the organisation with a high number of new trustees. We have already noted in this report that the role of trustee at Mermaids will always be a challenging one, and that to move to a place of “planned” rather than “forced” succession, the charity must be realistic about the demands of trusteeship. As such, we recommend in section 6.1.2 that the charity commits to a two-year term for trustees and develops a strong recruitment and induction cycle which quickly brings trustees up to speed on their role.

Mermaids currently has nine trustees, only one of which (the chair) has served more than two years in the organisation. Through discussion with trustees and staff it was agreed that a trustee board closer to 12 would be appropriate for Mermaids both in terms of maintaining a strong mix of skills and experiences, and in terms of sharing the significant mental and emotional load of being a Mermaids trustee (particularly for those trustees with lived experience as a trans person).

The board should develop a clear and open recruitment process for trustees, which should be set out in writing (possibly in a set of rules as recommended in section 6.1.1). Any recruitment process should be underpinned by a skills and diversity audit and should be led by a small steering group to ensure that the process is streamlined. We recommended that the group follow the steps set out in the Reach Volunteering [recruitment cycle](#).



Figure 2 - Reach Volunteering recruitment cycle

Given the shorter term length we recommend, we suggest that Mermaids considers running a recruitment process on at least an annual, and possible bi-annual basis. Setting this out in a structured way will help to ensure that the organisation is always ready to find new trustees where vacancies appear, and a bi-annual process will also make it less likely that a large volume of trustees will end their term of office at once.

We would recommend that within this recruitment cycle, the full recruitment process is planned out so that the time commitment for the steering group is clearly defined in advance, and so that this can be shared with prospective candidates. An example timeline is shared in appendix 3.

Recommendations:

14. Form a recruitment steering group including two or three trustees and a member of the senior team.
15. Develop a recruitment plan, ensuring diversity needs of the organisation are met and ensuring it is advertised openly and widely.
16. Set out the full recruitment timeline as part of the cycle of governance within the organisation.

7.2 Organisational leadership (code principle 8: Openness and accountability)

7.2.1 Strategic direction

It is a core role of the board of trustees to set the strategic direction for the organisation. This does not need to be a complex document or process, but establishing clear goals and aspirations will guide decision-making and will help the organisation to better articulate its purpose. Having a clear [organisation strategy](#) will anchor bids for funding and engagement campaigns, by demonstrating the intended outcomes and positive impact which the support will have for the organisation.

In 2019, the Association of Chairs gathered feedback from their small charity members on strategic development in their organisations. They compiled a series of [tips for getting strategy right](#) in which they highlight the need for collective responsibility from the board, making use of strategy development tools, and recognising that developing a strategy is an opportunity and not a challenge.

A first step towards creating a strategy is to consider your [Theory of Change](#), and how interventions as part of your strategy will make a difference to Mermaids and the people which it serves. There was clear evidence in our review that this process is already underway at Mermaids and is being well stewarded by the board, so we make this recommendation in support of the good work already happening in the organisation.

Recommendation:

17. Take steps towards developing a clear strategy for the organisation, underpinned by a theory of change.

7.2.2 Effective executive and board communications

Throughout this review, a trend emerged around transparency and communications. We raise this particularly as there was a significant difference in view between the staff we spoke to and the trustees, though many trustees acknowledged the importance of unity between governance and operations in an organisation like Mermaids where all those involved are regularly subject to public scrutiny and possible attack.

We often find that there is a distance between the activity of the board and the operations of the organisation, and this is appropriate in creating the necessary boundary between the governance role of trustees and the needs of leadership to deliver the work of the charity. At Mermaids there is clear evidence of historic communications challenges, with a lack of interaction between the board and senior team, which we do recognise is changing under new leadership in the organisation. However, the continued perception of distance between the board and operations is contributing to a lack of trust in governance and the practice of the board.

Developing effective communications starts with expectation-setting, and as a first step the Mermaids leadership group should agree the standard ways of working which can be included in the revised trustee role description. This should set out:

- How regularly trustees are expected to attend Mermaids events as part of their role
- How trustees can expect to hear updates from the Mermaids team
- How the staff team will hear updates from the board (including information on newly appointed trustees or changes to the board)
- What the expected relationship is between staff and trustees on an informal level (for example do trustees mentor senior staff)

Once expectations have been clearly set between trustees and senior staff, this can then be extended throughout the wider organisation, giving trustees a route to engage with more junior staff, members, and programmes of work in a way that enables them to gain meaningful insight into the work of the organisation and the views of members and other stakeholders.

Recommendations:

18. Set expectations around communications between trustees and senior staff.
19. In the longer term, set out a clear communications framework showing how trustees can hear feedback from wider stakeholders across the organisation.

7.2.3 Youth voice

An important aspect of Mermaids is that it is an organisation working with young people, and as part of this the Youth Advisory Panel was established, allowing the board and organisation more widely to hear the voice of young people. We explored this area in detail through our surveys and heard further feedback through the interview process.

It is clear that trustees are keen to have consideration for the views of young people within their work, and that the Youth Advisory Panel represents a great opportunity for engagement. However, there is a strong recognition that more effort will be needed to hear from the breadth of beneficiaries which Mermaids would like to engage.

The reality of governance is that trustees act as individuals and not as representatives, and so the Mermaids board should be mindful of this when considering routes to achieving greater levels of youth voice within governance. Any new young trustees on the board will act as trustees in the same way as all other board members and cannot hold the position in a representative capacity.

To truly achieve the aims of the board to engage with youth voice, the most significant consideration is how that voice can be heard across the range of operations which the board oversees. We would recommend that this as the starting point for enhancement of youth voice – recognising where and how young people can meaningfully contribute to the organisation. For example, the Youth Advisory Panel may focus on consulting with leadership on strategy for the organisation, while focus groups of young people may be a better way to hear contributions on service delivery.

7.3 Governance in practice (code principle 5: Board effectiveness)

7.3.1 Making governance accessible

Our recommendations throughout this report seek to strengthen governance within Mermaids, but we recognise that governance itself is a complex area and there is a lot that organisations can do to directly support trustees in accessing governance. This is particularly important in organisations with high trustee turnover where governance needs to be consistent and straightforward wherever possible.

Actions to support making governance accessible include setting out key areas of the constitution as rules written in plain English or using [global English](#). This can also be carried across to the trustee role description, and board papers. As part of this process, use of acronyms should be reduced or removed where possible, or a clear glossary created for

trustees to refer to explaining commonly used acronyms within the organisation and the sector.

We also recommend that all governance documents (including all those documents set out as part of the trustee induction pack) are held in one location, ideally a digitally accessible platform with straightforward navigation. This can be a native platform such as Google Drive or Microsoft Sharepoint, or there are many bespoke platforms such as [BoardPacks](#).

Finally, we recommend that as Mermaids develops, the team considers the range of modes available for sharing information. Written papers which are for information may be accompanied by a short summary video, removing the need for any review of the item within a board or committee meeting while allowing the author of the paper to expand or give detail and colour they might not include in a written report. Where written reports are shared, if there are options available for decision these should be clearly articulated. Finally, the Mermaids team should be mindful of document format when distributing papers, as far as possible using formats which are accessible for screen reading software. Microsoft includes a helpful accessibility checker which can identify aspects of the document which will not read clearly through this type of software.

Recommendations:

20. When reviewing documents, ensure they are written in accessible language avoiding acronyms where possible.
21. Create a digital board hub where trustees can access all necessary information.

7.3.2 Support for trustees

Several trustees reflected on the challenge of being a Mermaids trustee, and how the external environment influences the experience as a trustee and ability to fulfil the role. Part of leading an organisation like Mermaids is making objective decisions about topics which are likely to be close to an inherent aspect of trustees' identity or the identity of those they are close to, often examining these topics due to negative events in the wider world.

Discussions about identity can feel subjective and be emotionally draining, and Mermaids trustees need to be aware of this when they come into the role. In the article '[How to control your emotions during a difficult conversation](#)' Amy Gallo suggests some techniques to put emotions into context, such as:

1. Focus on your body. Identify how you feel tension in a challenging conversation and be open about the ways you can manage that.
2. Acknowledge feelings. Set out for yourself when you are dealing with facts and when you are dealing with emotions.
3. Take breaks. Recognise how tiring these discussions may be for the people impacted and make sure time is allowed for breaks and rests.

A clear and mutually agreed code of conduct between trustees can often help manage more difficult situations when they arise.

Ultimately having trustees who are personally invested is of huge benefit to Mermaids as an organisation, and that investment should not be compromised in favour of objectivity. Mermaids should instead look to support trustees in balancing their personal opinions and experiences with the wider needs of the organisation. It is also important that trustees feel able to challenge each other and the organisation without this being perceived as subjective.

8. Full recommendation list

For ease, the recommendations raised throughout this report are collated below. Each recommendation includes a note setting out how the recommendation aligns with the [Charity Governance Code](#).

	Recommendation	Code ref.
1.	Create a set of rules to support the constitution, which set out governance processes for the charity in plain English or global English.	Foundation
2.	Review the term of office for trustees. We recommend two years with the possibility of reappointment up to a maximum of six years.	5.7.4
3.	Review the trustee role description and create officer role descriptions, ensuring they are accurate and understood by all trustees.	2.4.4
4.	Establish clear terms of reference for board committees including setting out how they report to the board.	4.5.3
5.	Develop a scheme of delegation which clearly sets out the decision-making powers of the board and senior team.	4.5.2
6.	Add a summary to each board paper setting out the decision to be made and which areas of strategy/risk are addressed by the item.	4.6.3
7.	Revise the risk register to include risk level once the risk is mitigated.	4.7.3
8.	Add a section to the Mermaids website explaining governance and how decisions are made.	7.5.3
9.	Ensure that the complaints policy is easily accessible on the website and demonstrate how to contact the charity with any concerns.	7.6.2
10.	Develop a formal induction process for trustees, ensuring that they are fully aware of their role and responsibilities.	5.8.1
11.	Participate in trustee training, both at induction and as a refresher for experienced trustees.	5.8.1
12.	Develop a clear and contextual EDI plan for the organisation and the board.	6.4.3
13.	Set up a trustee annual review process, initially using a self-reflection approach.	5.8.2
14.	Form a recruitment steering group including two or three trustees and a member of the senior team.	5.7.3
15.	Develop a recruitment plan, ensuring diversity needs of the organisation are met and ensuring it is advertised openly and widely.	5.7.1
16.	Set out the full recruitment timeline as part of the cycle of governance within the organisation.	5.7.1
17.	Take steps towards developing a clear strategy for the organisation, underpinned by a theory of change.	1.3.2
18.	Set expectations around communications between trustees and senior staff.	2.5.4
19.	In the longer term, set out a clear communications framework showing how trustees can hear feedback from wider stakeholders across the organisation.	7.5.2
20.	When reviewing documents, ensure they are written in accessible language avoiding acronyms where possible.	4.6.3
21.	Create a board hub where trustees can access all necessary information.	5.5.2

