

THE FUNCTIONS AND RESPONSIBILITIES OF COUNCIL AND ITS MEMBERS – CODE OF PRACTICE FOR COUNCIL MEMBERS INTRODUCTION

1. Although Council's terms of reference, its functions and Council members' collective and individual responsibilities cover a lot of the same points, each of the categories has to be set out fully. The four sections below set out:
 - Council's terms of reference
 - Council's functions
 - Council members' collective responsibilitiesand
 - Council members' individual responsibilities.

TERMS OF REFERENCE

2. Council's terms of reference are to:
 - a make sure that our policies and activities help deliver the objectives of the Royal Charter;
 - b review, and make decisions on, all parts of our strategy and policy to shape and respond to developments which will affect our organisation;
 - c develop long-term aims and review plans and programmes for achieving them, mainly through the annual business plan and annual budget;
 - d monitor our progress in relation to the annual business plan, annual budget and general strategy and make sure that appropriate controls are in place;
 - e consider and review how current or proposed legal and governmental measures (including those from international organisations) affect professional and public interests;
 - f monitor regulatory and legal developments and ensure that our organisation has appropriate structures and policies in place;
 - g review and co-ordinate the statements we make to other organisations about professional policies and standards, ethics and rules of professional conduct, and consider the results of these statements;
 - h set principles and clear policy guidelines for all parts of our services to members, including reviewing how we communicate with members and the activities members' branches and networks carry out, and making sure we provide advice and information on technical and ethical matters;
 - i appoint task forces, working parties and advisory panels to deal with specific policy issues;

- j receive regular reports from committees, task forces and the chief executive on how policies are being put into practice;
- k set the policy for our chief executive and identify the main performance measures which will be used both to monitor how that policy is put into practice and to develop future policies; and
- l provide a corporate policy framework for national and regional centres to follow if they are responsible for putting our policies into practice.

COUNCIL'S FUNCTIONS

3. Council's functions work alongside its terms of reference. Council's functions are to:
- a achieve the objectives of the Royal Charter;
 - b carry out its duties under financial services, insolvency and companies legislation;
 - c make sure that we act in the public interest;
 - d act as the link between members and their professional organisation, recognising that our corporate responsibilities are sometimes not the same as the concerns of individual members;
 - e determine our objectives and develop an overall strategy to achieve them;
 - f anticipate and, as appropriate, aim to bring about and influence developments, both within the profession and in the environment in which it works;
 - g respond to changes and trends as they happen;
 - h provide an appropriate policy and resources framework for successfully putting our strategy into practice;
 - i monitor our performance and progress against the main policy and financial aims Council has set;
 - j make sure that any action the chief executive takes to run our organisation and present Council's policy falls within the guidelines Council has set;
 - k support and challenge the Executive Team;
 - l develop internal guidance on the roles and responsibilities of Council members and the chief executive; and
 - m oversee our reputation, image, brand and finances to make sure that these are protected and improved.

COLLECTIVE RESPONSIBILITIES OF COUNCIL MEMBERS

4. As elected or appointed representatives of our members, Council members are collectively:
 - a responsible to members for our activities and how effectively we have met our performance targets and achieved our aims;
 - b responsible to the public for setting and maintaining ethical and professional standards and making sure our members work consistently and honestly;
 - c expected to contribute effectively to developments in the accountancy profession and, as appropriate, in the wider community;
 - d responsible for setting out an overall strategy for our organisation and for monitoring our performance against agreed aims and targets;
 - e responsible for representing Council's views and policies to outside audiences;
 - f responsible for making sure that services to members and activities generally are provided and carried out as efficiently and effectively as possible;
 - g responsible for making sure that all our procedures are of the highest standards; and
 - h responsible for guiding individual Council members on their performance and the effectiveness of their contribution, both on Council itself and in representing Council to people outside our organisation.

INDIVIDUAL RESPONSIBILITIES OF COUNCIL MEMBERS

5. As individuals, all Council members have a duty to:
 - a observe the highest standards of integrity, confidentiality and objectivity;
 - b carry out Council business in a careful and hard-working way;
 - c contribute skills, expertise and experience to the work of Council;
 - d act in good faith as volunteer custodians in the interests of our organisation, our members and the public;
 - e respect the trust and confidence placed in them as Council members;
 - f maintain and protect the reputation and rights of our organisation and our members;
 - g maintain the authority and fairness of the disciplinary process;
 - h avoid conflicts of interest or duty;
 - i make sure that they do not use their service on Council to promote private interests;

- j make sure that they do not use our organisation's resources (including confidential information) for personal benefit or in other ways, such as for the benefit of the organisations they work for or represent or in any way which has a negative effect on our organisation;
- k comply with the Council expenses policy as in force from time to time;
- l add to the register of interests any personal, family, trust or business interests or duties that might conflict with their responsibilities as Council members;
- m take part in reviews of their individual contributions and performance as necessary and in any training and development their performance review says they need;
- n make sure in particular that, in their dealings with our staff, they act honestly and professionally; and
- o refrain from making statements, either electronically or by any other means, which could be construed as favouring one or more candidates in the Council elections.

COMPLAINTS PROCEDURE

6. From time to time, Council members may receive complaints about members of the Executive Team, or may want to make complaints themselves. Complaints about any member of the Executive Team (except the chief executive) should be made to the chief executive. Complaints about the chief executive should be made to the chairman of the Remuneration Committee.