

Duties of National Committee

Statutory duties

As a director, it is important to be aware that you have statutory duties. The company is subject to statutory controls and directors are responsible for ensuring the company complies with these controls. [The Companies Act 2006](#) sets out seven general duties of directors, which are:

- To act within powers in accordance with the company's constitution and to use those powers only for the purposes for which they were conferred
- To promote the success of the company for the benefit of its members
- To exercise independent judgement
- To exercise reasonable care, skill and diligence
- To avoid conflicts of interest
- Not to accept benefits from third parties
- To declare an interest in a proposed transaction or arrangement

A key statutory responsibility of the directors is the preparation of [the accounts](#) and [the report](#) of the directors. It is the responsibility of the directors to ensure the company maintains full and accurate accounting records and that these are filed in the appropriate way.

In addition to the statutory duties outlined in the Companies Act, directors are also subject to a wide range of regulation and legislation. An overview can be found in this [Institute of Directors \(IOD\) factsheet](#).

It is important you understand these duties and responsibilities because directors may be liable to penalties if the company fails to carry out its statutory duties. That said, directors might have a defence if they had reasonable grounds to believe that a competent person had been given the duty to see the statutory provisions were complied with. Directors can delegate duties to staff, but it is their responsibility to make sure the staff are competent to carry out these duties.

Resolution has professional indemnity insurance for directors and officers to protect you from some elements of liability. You are covered for damages in civil court cases, and from debts incurred if the organisation closes down, but you are not protected against fines in criminal cases. This is set out in article 29.1 of the [Articles of Association](#).

Other Responsibilities

In addition to their statutory duties as directors, the key functions of NC members are to:

- Uphold and promote the objects, vision, mission and values of Resolution
- Set the organisation's strategic objectives, policies and priorities, based on the input of members, committees, sub-committees and working parties; and in partnership with the staff team
- Ensure proper consultation and involvement of the membership in the activity and direction of the organisation
- Consider reports from, and agree the work plans of, Resolution's sub-committees, working parties and the staff team
- Ensure the accountability of the Chief Executive
- Agree an annual budget and monitor Resolution's finances
- Ensure Resolution's work is monitored and evaluated
- Ensure risks to the organisation, staff, volunteers and members are at an acceptable level and are effectively managed
- Challenge incidents that contravene the organisation's [Articles](#), policies and procedure.