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# THE KENYA PLANT HEALTH INSPECTORATE SERVICE

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## BOARD CHARTER

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By subscribing to this Charter:

- i. Each Director acknowledges to act in the best interest of the Service and uphold their fiduciary responsibilities and duty of care; and
- ii. Each Director commits to act honestly and in good faith so as to create a culture built on principles of integrity, accountability and transparency.

### **3 GUIDING PRINCIPLES**

In line with Section 3 of the Leadership and Integrity Act No. 19 of 2012 of the Laws of Kenya, the Board shall respect the values, principles and the requirements of the Constitution.

### **4 THE BOARD OF DIRECTORS**

The Board of Directors is the body of appointed members who jointly oversee the activities of the Service. It shall be diverse in its composition, independent but flexible, pragmatic, objective and focused on balanced and sustainable performance of the Service.

#### **4.1 Size of the Board**

In accordance with the KEPHIS Act a fully constituted Board shall comprise of eleven (11) Directors.

#### **4.2 Board Composition**

The composition of the Board of Directors of the Service has already been set out under section 8 of the KEPHIS Act as follows;

- i. A non-executive chairperson appointed by the President;
- ii. The Principal Secretary to the Treasury or a designated representative;
- iii. The Principal Secretary in the Ministry responsible for agriculture or a designated representative; and
- iv. Not more than seven (7) other persons with qualifications as set out in Section 8 (d) of the KEPHIS Act; and
- v. The managing director, who shall be secretary.

#### **4.3 Appointment of Board Members**

- i. The relevant appointing authority shall select and appoint Board members. Every appointment shall be by name and by notice in the Kenya Gazette but shall cease if the Board member:
  - a. Serves the appointing authority with a written notice of resignation; or
  - b. Is absent, without the permission of the Chairperson, from three consecutive meetings; or



The Chairperson should act as the spokesperson for the Board and is the principal contact for the Managing Director.

#### **4.9 Role of the Chairperson**

The Chairperson shall have responsibilities as set out under Section 1.4 of the Mwongozo Code of Governance.

#### **4.10 Managing Director (MD)**

The MD is an ex-officio Board member with no voting rights. The MD and the Board play separate and distinct roles but work together to achieve organizational goals.

The Board is responsible for appointing the MD, through a competitive process, and for removing them. The Board should also assist the MD in selecting the management team and put in place a succession plan for both the MD and the team.

The MD is responsible for overseeing the execution of the Board's directions and policies to ensure desirable outcomes. The MD therefore serves as the link between the Board and the Management.

The Board should provide the MD with:

- a. Defined performance goals and authority levels;
- b. An attractive remuneration package;
- c. Regular formal performance review feedback;
- d. Constructive informal feedback on job performance;
- e. Reward for exceptional performance; and
- f. Prompt response to request for guidance or assistance.

The MD should:

- a) Demonstrate commitment to the organization's vision, mission, core values and mandate;
- b) Achieve set performance objectives and targets;
- c) Put in place effective administrative structures, processes and systems;
- d) Provide regular, thorough and prompt communication to the Board on key technical, financial and administrative matters;



committee's agenda. The Board will however determine the procedure and process within which committees may take independent professional advice at the Service's expense.

The committees will promptly report to the Board any actions taken for ratification and any major developments that they become aware of. The Board shall, as set out in the terms of reference of the respective committees, receive a report of the committee's findings and actions.

The following are the Committees of the Board:-

- Technical Committee
- Finance Committee
- Human Resource and Administration Committee
- Governance, Audit and Risk Committee

The Service may establish any other ad hoc committees to handle any special business. The Terms of Reference of any committee of the Board shall be developed by the Board.

## **5 PRACTICES OF THE BOARD**

### **5.1 Board Responsibilities**

The basic responsibility of the Board members is to exercise their best judgment and to act in a manner that they reasonably believe to be in the best interest of the Service and its stakeholders. In discharging that obligation, the members shall be entitled to rely on the honesty and integrity of the Service's management, staff and its external professional advisors and auditors.

In furtherance of its responsibilities as set out in the Mwongozo Code of Governance, the Board will:

- a. Determine the Service's mission, vision, purpose and core values;
- b. Review, evaluate and approve, on a regular basis, long-term plans for the Service;
- c. Review, evaluate and approve the Service's budget and financial forecasts;
- d. Review, evaluate and approve major resource allocations and capital investments;
- e. Ensure that the procurement process is cost-effective and delivers value for money;
- f. Review and approve the operating and financial results of the Service;
- g. Ensure effective, accurate, timely and transparent disclosure of pertinent information on the Service's operations and performance;
- h. Ensure that effective processes and systems of risk management and internal controls are in place;



## **5.6 Notice and Agenda for Board and Committee Meetings**

Notice and agenda of Board and committee meetings will issue from the Managing Director as directed by the Chairperson of the Board or relevant committee. The Corporation Secretary must circulate the notice, agenda to the Board Members at least seven (7) days before the date of the meeting.

Each Board member is free to suggest the inclusion of items on the agenda by providing notice to the Chairperson at least fourteen (14) days' prior to the meeting, to enable preparation. Additional agenda items may be included in the agenda during the meeting subject to approval by the Board or the committee.

Save for the additional agenda items, the agenda for the meetings will be aligned to the Board's work plan which will establish a schedule of agenda subjects to be discussed during the year to the degree this can be foreseen.

Except for urgent cases, as determined by the Chairperson, detailed agenda accompanied by relevant supporting documents and recommendations will be provided to the Board members at least seven (7) days prior to a meeting. Board members should review these materials in advance of the meeting to enhance effectiveness.

## **5.7 Venue of Meetings**

Board and committee meetings are generally held at the head office of the organization but may also take place elsewhere with relevant approvals. The time and venue of the meetings should be clearly communicated in the notice for the meeting.

In addition, meetings of the Board or committees may be held by video or conference call or by any other means of communication approved by the Board.

## **5.8 Attendance of Meetings**

The MD shall attend all board meetings and if requested by the Board, the members of senior management shall also attend a Board meeting in whole or in part.

A board member who is unable to attend a meeting will explain their absence to the chairperson and notify the Corporation Secretary.

## **5.9 Procedure of meetings**

### **5.9.1 Chairing of Meetings**

Board meetings shall be chaired by the Chairperson of the Board or in the case of a committee meeting, the Chairperson of that committee. In the absence of the Chairperson, one of the Board members designated by the Board members present at the meeting, will chair.



- 8) The Chairperson should ensure that the agenda is suitable for tele/video conferencing.

#### **5.9.4 Decision-Making**

The Board members, with the guidance of the Chairperson, should work towards unanimous adoption of resolutions. However, Board members are entitled to voice dissenting opinions and have these recorded in the minutes when unanimity cannot be reached.

Resolutions of the Board will be made at Board meetings or approved in writing by circulation, provided that in respect to the latter the proposed resolution is submitted to all Board members and none of them objects to this form of adoption. Approval of resolutions by circulation shall be effected in writing by all Board members. Objection to this method of adoption or to the proposed resolution should also be in writing.

#### **5.9.5 Resolutions and Minutes**

Minutes must be drawn up for every Board and committee meeting with resolutions highlighted therein. The minutes should be circulated to the Board members as soon as possible after the meeting. Upon confirmation, the minutes should be signed by the Chairperson and added to the records of the organization. Substantial corrections to previous minutes will be recorded in the minutes of the meeting where the corrections are made and adopted by the Board members. Urgent resolutions may be drawn up and signed immediately in the relevant meeting.

#### **5.9.6 Implementation of Resolutions**

Generally, the Board delegates to the MD responsibility to implement the resolutions of the Board. The MD may delegate some of these responsibilities to senior management.

#### **5.10 Liability of Board Members**

A Board member shall not be liable for any act done in good faith in carrying out duties and responsibilities in the Service. However, there is no limitation of liability for negligence or breach of the member's duty of care to the Service or its stakeholders, or for acts or omissions not in good faith, or which involve intentional misconduct or violation of the law.

#### **5.11 Conflict of Interest**

A conflict of interest may arise where a Board member or close family member such as a spouse, child, parent or sibling has private interests that could improperly influence the performance of the Board member's official duties and responsibilities. Conflict may also arise where a Board member uses their office for personal gain.



### **5.15 Board Induction and Continuous Skills Development**

The Board will provide new Board members with an effective induction programme in order to familiarize them with their responsibilities as directors, general principles of corporate governance and Board practices. The induction programme will also provide the Board member with an orientation of the Service, strategic plans, financial status and policies, risk management, compliance programmes and the Code of Conduct and Ethics.

The Board will ensure that a competence needs assessment is carried out periodically and an annual development plan prepared to address identified gaps. In this regard, Board members will be provided with access to, or notice of, continuing development programs that are designed to keep members abreast of the latest developments in sector best practice, corporate governance and critical issues relating to the operation of public sector boards.

The Board will satisfy itself that its members are up-to-date with continuous professional development in their respective professional bodies.

### **5.16 Board Remuneration**

Board members shall be remunerated for their services in accordance with the prevailing relevant legislative provisions and/or guidance from the relevant authority.

### **5.17 Board Performance**

The Board will conduct an annual evaluation to appraise its performance. This evaluation will be carried out in accordance with the Board Evaluation Tool.

The Board will also review the performance of each committee against the agreed Terms of Reference.

The Board will also evaluate the performance of the MD and Corporation Secretary.

### **5.18 Board and Management Succession**

The Board will put in place a succession plan for both the Board and management and review the same regularly.

### **5.19 Governance Audit**

The Board should ensure that a governance audit of the Service is undertaken on an annual basis. The purpose of the governance audit is to ensure that the Service conforms to the highest standards of good governance. The governance audit should cover the parameters set out in the Mwongozo Code of Governance.