

1. **Introduction**

Governing Bodies are responsible for funds, both public and private, and therefore have a duty to observe the highest standards of governance. Governors undertake a number of related functions as members of the Board: Non-Executive directors, trustees of a charity and Governors of an educational institution.

2. **Role of Governors and Conduct of Business**

The responsibilities of Governors are set out in the Articles of Association. In general Governors need to:-

- determine the educational character and mission of the University;
- oversee the institutional management;
- ensure the solvency of the University and the effective use and development of its resources and assets;
- make the appointments of senior postholders;
- an institutional employer, set the framework for pay and conditions of staff; and
- monitor the performance of the institution against plans and targets set by the Board of Governors

In carrying out these responsibilities Governors have a duty to observe certain principles. These have been set out by the Nolan Committee as:-

(i) **Selflessness**

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their friends.

(ii) **Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

(iii) **Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

(iv) **Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

(v) **Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

(vi) **Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

(vii) **Leadership**

Holders of public office should promote and support these principles by leadership and example.

The specific principles for members of the Governing Body are that they should

- observe the highest standards of corporate governance, integrity and objectivity in the transaction of all its business and particularly in the management of funds;
- wherever possible follow a policy of openness and transparency;
- be accountable for the activities of the organisation and for the stewardship of public funds;
- maximise value for money through ensuring that services are delivered in the most effective, efficient and economical way;
- accept collective responsibility for Board decisions;
- reflect and promote the values and mission of the institution in the community; and

- abide by this Code.

3. **Operation of the Board**

The Board has established procedures to be followed in order to ensure the above principles are adhered to.

(i) **Declaration of Interests**

The Articles of Association and the Standing Orders of the Board require that:

“Any Governor having any pecuniary, family or other personal interest, whether direct or indirect, in any contract or other matter to be discussed at a meeting at which (s)he is present shall as soon as practicable disclose the fact of his/her interest to the meeting, and shall not take part in the discussion of or vote on any questions with respect to that contract or other matter. A Governor shall not be treated as having a pecuniary, family or other personal interest in a matter by reason only of his/her being a member of staff or a student at the University if his/her interest is no greater than that of the members of the staff or students, as the case may be, in general. No payment shall be made in respect of any work or service to any member of the Board without the authority of a prior resolution of the Board or otherwise than as permitted by the provisions of Clause 4 of the Memorandum of Association.”

(ii) **Register of Interests**

It is a commonplace of public life that those with responsibility for decision-making, particularly concerning money, should ensure that they distance themselves from any possibility of a conflict of interest between their personal interests and public responsibilities.

The Board has established a Register of Governors Interests. All Governors are required to complete the Register on appointment and to update it if circumstances change. The Register is kept by the Clerk to the Board. The Register will be open to Governors, staff and students of the University. An annual statement of Governors’ interests will be made to the Board.

If any Governor wishes to seek advice or further guidance on interests to be declared s/he should contact the Clerk to the Board at the earliest opportunity.

(iii) **Gifts, Hospitality and Fees**

Board and Committee members should treat with caution any offer of gifts, favours, hospitality or fees arising from their position as a Governor. If such offers arise, they should adhere to the rules in the Register of Interests. Board and Committee members should consult the Clerk in cases of doubt.

(iv) **Governors as Representatives**

Governors either nominated by or deriving their Governorship from particular

constituencies must not act as delegates. No Governor can be bound, when speaking or voting, by mandates given by others.

(v) **Personal Liability**

Board members who act honestly, reasonably, in good faith and without negligence should not normally incur any liability in an individual capacity.

Governors are personally liable for their action, however, and must be aware of such liability. Consequently, in carrying out their duties Governors should:-

- act honestly, diligently and in good faith;
- be satisfied that the course of action proposed is in accordance with the institution's statutes or instruments and articles of government;
- not bind the institution to a course of action which it cannot carry out;
- seek to ensure that the institution does not continue to operate if it is insolvent;
- seek to persuade colleagues by open debate and register dissent if they are concerned that the action would be contrary to any of the above; and
- avoid putting themselves in a situation where there is actual or potential conflict between their interests and those of the institution.

5. **Decision Making**

The Governing Body's role is distinct from that of the Vice-Chancellor and the management. The Board has set out matters which it is either required to determine or has chosen to reserve to itself or to Committees.

All decisions made by Governors must be taken properly through the Committee and/or Board meeting structure. It is not appropriate for Governors individually or in informal groups to attempt to take decisions or determine matters outside the Board and Committee structure.

Equally the distinction between Governance and management (through to the Vice-Chancellor) must be observed. Governors are not responsible for the day to day management of the institution. There should be no informal Governor involvement in the decision making process e.g. appointments, procurement.

6. **Clerk to the Board**

If any Governor wishes to seek further information, advice or guidance on this Code s/he should contact the Clerk to the Board.

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