

Code of Governance Toolkit

A Practical Guide to the Code of Governance for the Voluntary and Community Sector

by **Peter Dyer**

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Section I Introduction

Good Governance

Across the country there are hundreds of thousands of voluntary and community groups. From small groups of volunteers working in local neighbourhoods to large, complex national charities, all have something in common: are all carrying out vital work and activity, independently of government, without profit as the main concern.

All voluntary and community organisations need to keep the show on the road: make the budgets balance; keep track of legal requirements; plan ahead; show leadership. This role – of **governance** – is key to running an organisation and delivering services well.

Governance has been defined as “the systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation”^{*}.

Every voluntary or community organisation is controlled by a governing body that takes ultimate responsibility. You may call this governing body a trustee board, management committee, council or board. In this toolkit, we call the governing body the **trustee board** and the individual members of the governing body its **trustees**.

When organisations get it right, good governance can mean a confident, forward thinking organisation, where the trustees are abreast of their duties and activities and services are well planned and well managed.

But poor governance, on the other hand, can mean a fragile, chaotic organisation with no sense of direction, in which trustees are unprepared for eventualities and unclear as to how best they can contribute.

This toolkit has been produced to help you maintain and develop good governance in your organisation. The toolkit is based on the national **Code of Governance for the Voluntary and Community Sector** and is designed to help you start using the Code. The Code was produced by a group of national voluntary and community sector support organisations and is endorsed by the Charity Commission.

Do you have a copy of the Code? To obtain a copy, contact the Governance Hub (see page 58 for contact details)

^{*}*The Governance of Voluntary Organisations, Cornforth 2003*

Written from a practical point of view, based on tried and tested materials, guidance and case studies, this toolkit can help you:

- understand what a well governed organisation looks like
- clarify what the role of your board is in good governance
- help your committee and staff and/or volunteers reflect on what makes an organisation well run
- help you strengthen specific areas of governance
- put in place the specifics of good governance – committees, recruiting trustees, risk management, planning and so on
- motivate you and your trustees, staff and volunteers to aim for and achieve high standards
- be confident that you are doing a good job!

About the Code of Governance

The Code was launched in July 2005 by the newly formed national Governance Hub, a new partnership of voluntary and community sector organisations.

The Code sets out a statement of best practice in governance.

The Governance Hub wants to motivate more people to become trustees whilst providing support to enable them to rise to the responsibilities and the challenges of being a trustee.

The Governance Hub have also published *Learning to Fly* as a companion to the Code, specifically to introduce the Code to smaller community groups.

10,000 copies of the Code of Governance and 20,000 copies of *Learning to Fly* have been printed and distributed. Over 10,000 copies have been downloaded from www.governancehub.org.uk. The Hub team has presented the Code at over 40 events around the country.

Who is this book for?

This toolkit is aimed at all voluntary and community organisations, regardless of size or type – just like the Code. As a user of this toolkit, you might be:

- **a member of a trustee board** (perhaps you call it a management committee) who wants to start using the Code – to organise training for your trustees, put in place new systems or procedures or carry out a governance review.
- **a member of staff** with responsibility for supporting a trustee board – to design a trustee development programme or to conduct a board review.
- **a development worker, advisor or trainer** – to design training sessions or as a way of recommending the Code and explaining ways of using it.

A training pack is also being developed to accompany this toolkit to help you deliver training and events on the Code.

Diversity issues

Equity, diversity and equality of treatment are fundamental to the work of all voluntary and community organisations.

The Code places diversity and equality in the heart of good governance. Whether it is looking at your board, and how far it reflects the community you serve; or your staff management and recruitment procedures; or how you involve the perspective of service users in decision-making – the principle of equal treatment runs right through governance and, it follows, right through the Code.

We sometimes find criticisms that boards are not sufficiently diverse. Statistics highlight trends: for instance, less than 2% of trustees are aged under 25.**

This toolkit, like the Code, has also been written with the diversity of the sector in mind. The toolkit is designed to appeal to and reflect the broad a range of organisations in the sector. The exercises and methods of assessment are designed to reflect this diversity.

The Code is too detailed for us!

If you are a committee member for a small community group, you may have been perplexed about the references in the Code to auditing, managing a chief executive and developing formal recruitment.

The answer is that the Code is just as useful for you! However, you may not want to review the entire detail of the Code: section 4 sets out a method of reviewing the Code using only the supporting principles and a method using *Learning to Fly* (see pages 31 and 47). In section 3 most exercises are suitable for small organisations and large organisations alike.

I want to adapt the Code to my own needs

Your organisation may be too small to have need of an audit committee. You may not have a formal membership or formal election of trustees. These may all be agreed and established practices in your organisation but differ from the Code's detailed principles.

The answer is that the Code can be modified to meet your own circumstances. Section 4 sets out how you can do this.

If you are a member of an association (sometimes called an 'umbrella body'), why not contact them to see if they are planning to adapt the Code or develop specific guidance for their members?

**National Council for Voluntary Organisations, 2001; Charity Commission, 2005

The Code, standards and regulation

Are we required to comply with the Code?

In using the Code you have the opportunity to state your compliance with it. Section 4 shows how you can do this. But it is not mandatory. Why?

The Hub has listened to comments from voluntary and community organisations about “creeping regulation” and a need to avoid “another standard to comply with”. Agencies involved in quality systems and standards have picked up concern that mandatory standards sometimes end up being complied with for their own sake – in other words, just ticking a box.

The voluntary and community sector is very diverse, making a mandatory standard difficult to manage. Some specific details in the Code may not be as relevant to a small, “kitchen table” community group as to a large membership organisation.

Ultimately, the toolkit is designed as a way to help your organisation practise good governance with the backing of a nationally recognised standard.

How does it fit with other quality systems we are using?

You may already be using quality systems like the Practical Quality Assurance System for Small Organisations (PQASSO), the self-regulatory code of fundraising or standards specific to your services.

The Code is an opportunity to help you through specific areas of governance and help you comply with the governance aspects of other quality systems.

The National Hubs of Expertise in governance, performance and finance will be working together in the future to link the Code of Governance directly to existing, popular quality systems and standards.

How does the Code fit with the National Occupational Standards for Trustees?

In 2006 the National Occupational Standards (NOS) for Trustees and Management Committee Members were launched. The NOS have been developed as a standard for individual trustees.

The NOS are approved by the Qualifications and Curriculum Authority and explain the skills and knowledge that trustees need to develop their work. Trustees and boards can use them to identify their training and development needs, put together job descriptions or induction packs or carry out many other areas of development.

The Code has a much broader role, to set out the principles and practices of good governance in an organisation as a whole.

This means you may use the Code and Standards for different things. You may find the Standards more useful for individual trustee development and the Code more useful for putting in place a governance review for your organisation.

The good news is that the Standards have the backing of the sector in the same way as the Code. Both the Code and the NOS are being promoted and developed by the Governance Hub.

To find out more about the NOS, or download the text, go to www.ukworkforcehub.org.uk
A toolkit and other resources and information relating to using the NOS can be found on the Governance Hub website, www.governancehub.org.uk

What's in the toolkit?

Section 2 outlines some options for how you might first start using the Code – as an assessment tool (to review your organisation against the Code) or as a development tool (to learn more about governance) – or both.

Section 3 is about using the Code as a development tool. It contains a number of 'ready to go' exercises for you to use with your organisation.

Section 4 is about using the Code as an assessment tool. It sets out three methods of reviewing how your governance arrangements compare with the Code.

Section 5 is designed to be a map of the Code, suggesting "ways in" to each area – further resources, guidance, hints and tips.

Section 6, finally, looks at the future development of the Code.

Many of the resources in the toolkit are available as downloads from the Governance Hub website (www.governancehub.org.uk), so that you can quickly use them and adapt them where you need to. The website includes sample presentations, handouts and links to model documents. The download icon is used to indicate where download items are available.



The toolkit includes case studies from four organisations:

Suffolk Association of Voluntary Organisation's role is to increase and improve voluntary action in the County – serving over 5000 groups, SAVO's strong training tradition combined with a robust voice for the sector is maintained by a small staff of 12 employees (www.savoco.uk)

The National Association for Gifted Children (NAGC) is the UK's leading membership charity that exists to support and advise children of high ability, their parents and families. There are 26 branches throughout England, Wales and Northern Ireland and a range of support services. Nine staff are employed at their Milton Keynes Head Office with 12 trustees on the board. (www.nagcbrtain.org.uk)

Allergy UK provides information, advice and support to people with allergy and their carers and education in allergy for healthcare professionals. The organisation employs 16 people. (www.allergyuk.org)

The Voluntary Arts Network aims to promote participation in the arts and crafts across the UK and Republic of Ireland. VAN has five centres and employ 17 staff. (www.voluntaryarts.org)



Section 2 Getting the most from the Code

You have the Code of Governance. When you first opened it, what was your reaction?

Relief that someone had actually written down what governance was supposed to involve?

Unsure as to how to start on the Code and how it fits in with other Codes or standards you are working on?

Surprise at what you as a new trustee are actually supposed to be doing?

Panic at what you as a new trustee are actually supposed to be doing?

This section takes you through your options for how you can start to use the Code, how it can come alive and work for you.

How do you want to use the Code?

What interests you about the Code?

Are you asking yourself: “Do we comply with the Code?”; “Can we demonstrate good governance to others?”; “Is our organisation up to scratch and covering all bases?”; “Have we got everything in place?”. If you are, then you’re likely going to take the “**systematic**” path to using the Code. Here, you may see its value as a **statement** or **standard** of best practice, something you can work towards achieving and demonstrating how you achieve it.

On the other hand, you may have been asking yourself: “Which bits of good governance do we need to know more about?”; “Do we fully understand our roles and responsibilities?”; “How can we train and develop our trustee board to be more effective?”. If you are, then you’re likely to take the “**developmental**” path. Here, as a user of the Code, you may see its value in what the Code says about governance, something which you can use to gain a greater understanding of your role by organising training or putting in place specific procedures.

The two approaches do overlap, of course. You may find you cover both paths. They are used here only as a way of distinguishing between the different ways the Code can be used.

Tell me more about a systematic approach to governance

The Code of Governance is an agreed benchmark of best practice. It's been organised as a series of statements with different levels of guidance and options – must, should, could consider and so on – in such a way that it is possible to work through it and say at the end whether or not you comply with the Code.

In section 4 we outline some methods you can use and some examples of tools and exercises you could follow, to help you assess how far your organisation complies with the Code.

The methods have been put together take account of the size and circumstances of different organisations. As a small community group reading the Code, you may find parts of it too detailed for your own circumstances. You may prefer not to work through the entire detail of the Code but look at the summary principles instead. In section 4 you will find methods for assessing the Code that are more suited to your needs.

Tell me more about a developmental approach to governance

New trustees can work through the Code to build up a picture of what their roles and responsibilities involve. Staff new to an organisation can read the Code to understand what governance means in a voluntary or community organisation. A board and its staff or volunteers can use the Code to organise training, information or a discussion on a specific topic – on an away day or as part of an induction programme – to help improve how they practise good governance between each other.

In section 3 there are some tried and tested exercises for you to use with your board face to face, which are based directly on the information in the Code.

Who will you involve in using the Code?

Good governance runs through the whole organisation. Although the trustee board is critical to a successful organisation and legally responsible for its work, trustees rely on many different people to be able to govern well.

Trustees

As a member of a board, you may have this toolkit because you have agreed to co-ordinate governance development within your organisation. You may be charged with organising a training session or away day, or with conducting a governance review. In this way you are the “governance champion” on the board and good luck with using this toolkit to organise your programme!

Before you start, think about the support you need perhaps from staff, volunteers, other board members or people outside your organisation.

In section 4 we look at how you can set up a ‘review group’ containing a range of different individuals to co-ordinate a systematic review of the Code of Governance.

Staff

Governance runs right through the organisation and, where staff are employed, boards depend on them to manage its day to day running. Many areas of the Code deal with aspects of staff roles and responsibilities, but where boards need to keep an overview – like delegation, internal controls and strategic planning.

As a chief executive or member of staff responsible for governance in your organisation, you may be reading this because you have been charged with the day to day responsibility for implementing or using the Code.

As a board, you may be planning how to involve staff in the Code.

The role of staff or volunteers is valuable in providing the board with expertise, capacity and time to conduct the necessary work around the Code – preparing new documents or organising training, for example. Staff roles may be affected by changes to your governance arrangements. And a good working relationship with a chief executive is a critical “cog” in how good governance and good management work together.

What we did – Allergy UK said

“Reviewing the various procedures of the organisation as a team rather than keeping to the strict divide of “governance” and “management” enabled open and frank discussions to take place. Involving staff in the discussions surrounding the Code ensures that there is a clear understanding of where management ends and governance begins. It also guarantees that staff are fully aware of the considerable responsibilities that Trustees undertake when they accept their positions.”

Members and “stakeholders”

You may be reading this because you are a member or service user of your organisation or a funder, donor or government representative. You may be interested in how the Code could benefit your organisation or how your organisation’s governance compares to the Code. In this toolkit we call these groups who have an interest in an organisation its “stakeholders.”

As a trustee, a member of staff or volunteer, you may be considering how best to include stakeholders in your governance development programme. You may want to consider involving stakeholders in a review group to help assess the Code. You may be considering how you report back to stakeholders on your assessment of the Code. You may also want to consider how stakeholders could help the organisation work through Part H of the Code on Board Openness.

Outside support

As a development worker, advisor, trainer or consultant, you may be charged with developing a governance programme for an individual organisation or promoting the Code of Governance to your local voluntary and community sector.

A trustee from a neighbouring organisation, or one similar to yours, may be willing to share their experiences, help guide you through the programme and help you avoid the pitfalls they encountered.

They may want to join your governance review group, present to your trustees on how they have supported good governance or facilitate a discussion.

As a trustee board or staff member you may be considering using outside support like this in your governance development work. An external individual can bring a useful outside perspective, specialist expertise or extra time to help your organisation manage its work on the Code.

What does your organisation want to address by bringing in an external person or organisation? Be as specific as possible. If you are commissioning an individual to work with your board, you should draw up a brief to include objectives, required skills, timescales and, if relevant, a budget.

Section 3 The Code as a learning and development tool

The **developmental** approach to the Code is all about using the Code as a way of learning about good governance – gaining a greater understanding within your organisation and using the Code to put in place new practices.

In this section, you may not be going through the Code from A to H asking ‘do we comply?’ but reading through it, dipping into it, using it to reflect on your own governance, pulling out ideas, comparing them with your own.

This section sets out a number of exercises, to be used either with your board alone, or with staff or other participants. Each exercise includes a full description of the activity, timings, plans and links to resources online including presentations and model documents. Use the table below to identify the exercise that best meets your needs.

Name of exercise	Area of Code	Suitable for	Page
Duties and responsibilities of trustees	The role of the board (B) Trustee duties and responsibilities (D) Clarity of roles (F) No personal benefit (G)	All organisations	12
The role of the board	Strategic direction (B) The effective board (D)	All organisations	16
Governing or managing?	Strategic direction (B)	Organisations with staff	19
Understanding your stakeholders	Board openness (H)	All organisations	22
Thinking creatively	Review (E)	All organisations	23
Building an inclusive and diverse board	Equality and diversity (C) Skills and experience (D) Recruitment and renewal (E)	All organisations	24
Your role on the board	Development and support (D) Performance appraisal (E)	All organisations	28

The main areas in the Code of Governance are:

- B – Board leadership
- C – The Board in control
- D – The high performance Board
- E – Board review and renewal
- F – Board delegation
- G – Board and trustee integrity
- H – Board openness

Use this key to help identify where an exercise relates to a part of the Code.

Exercises using the Code

– to understand board roles and responsibilities

Exercise 1 *Duties and responsibilities of trustees*

 (45 minutes)

Compliance

This exercise helps comply with: B (the role of the board) and D (trustee duties and responsibilities), F (clarity of roles), G (No personal benefit), C1 (a), D8, G5

About this exercise:

This exercise covers the essential duties and responsibilities of trustees. The exercise involves:

- a trustee quiz – a popular way of understanding duties and responsibilities
- a presentation summarising the main duties and responsibilities of trustees

Learning objectives:

As a result of this exercise, participants should be able to describe the main duties and responsibilities of trustees.

You need:

flipchart paper, pens, projector, handouts, pencils

Leader preparation:

Make copies of the quiz, presentation, handout and questions.
Take the quiz yourself and familiarise yourself with the answers.
Conduct a trial run of the presentation slides.

How to:

1. **Hand out the quiz on page 13.** Ask the group to work in pairs and complete the quiz in ten minutes.
2. **Call the group back and go through the answers, asking for a show of hands for TRUE or FALSE (25 minutes).** For each, ask the group why they chose true or false. Afterwards hand out the notes on page 14.
3. **Option: present the summary of trustee duties on page 15.**



This handout can be downloaded from
www.governancehub.org.uk

Handout *Trustee responsibilities quiz*

▶ (10 minutes)



Please work through the questions in pairs and answer TRUE or FALSE. You have ten minutes.

1. Trustees don't need to read their governing document, they just need to know where to find it in case of a dispute.
2. The treasurer takes ultimate responsibility for financial matters.
3. A trustee elected by a certain group (e.g. by young people or by a local authority) is there to represent that group's interests.
4. As a trustee I can only act on my own behalf if the board has given me authority, even if I feel strongly about an issue and want to take action.
5. If I have a divided loyalty then my loyalty is to the organisation where I am a trustee.
6. If I disagree with a decision taken, I am still responsible and liable for it if I remain on the board.
7. Our governing document says we cannot receive payment as trustees. This means I cannot claim out of pocket expenses.
8. As a board we should seek advice if we are not confident about a decision.
9. I am a company director of a charity. This means I am also a trustee of the charity.
10. Our board can delegate day to day running to staff but we still remain ultimately responsible.



This handout can be downloaded from
www.governancehub.org.uk

Handout Notes to accompany the quiz



1. Trustees don't need to read their governing document, they just need to know where to find it in case of a dispute.
FALSE. Trustees have a duty to comply with their governing document. The Code says the board must ensure "compliance with the objects, purposes and values of the organisation, and with its governing document" (B1(a)). Trustees should familiarise themselves with its contents. How else can you ensure the work of the organisation complies with its objects (aims)?
2. The treasurer takes ultimate responsibility for financial matters.
FALSE. The treasurer may have been delegated the financial oversight of the organisation, but the trustees as a whole remain ultimately responsible. The Code says "where the board has delegated specific roles to honorary officers or to other trustees, ultimate responsibility rests with the board as a whole" (F3).
3. A trustee elected by a certain group (e.g. by young people or a local authority) is there to represent that group's interests.
FALSE. The Code says "Each and every trustee must act personally, and not as a representative of any group or organisation; this applies regardless of how that person was nominated, elected or selected to become a trustee" (B5).
4. As a trustee I can only act on my own behalf if the board has given me authority, even if I feel strongly about an issue and want to take action.
TRUE. The Code says "Individual trustees must not act on their own on behalf of the board, or on the business of the organisation, without proper authority from the board" (D3). This is because trustees act collectively and are equally responsible for the organisation.
5. If I have a divided loyalty then my loyalty is to the organisation where I am a trustee.
TRUE. The Code says "trustees are bound by an overriding duty, individually and as a board, to act reasonably at all times in the interests of the organisation and of its present and future beneficiaries or (in the case of a membership organisation) members" (B3). The Code also says "trustees should identify and promptly declare any actual or potential conflicts of interests affecting them" (G, second supporting principle).
6. If I disagree with a decision taken, I am still responsible and liable for it if I remain on the board.
TRUE. The Code says "All trustees are equally responsible in law for the Board's actions and decisions, and have equal status as trustees" (B4).
7. Our governing document says we cannot receive payment as trustees. This means I cannot claim out of pocket expenses.
FALSE. The Code says "the organisation should have procedures for trustees to claim legitimate travel and other expenses incurred whilst carrying out the organisation's business; trustees should not be out of pocket for the work they carry out for the organisation" (G5).
8. As a board we should seek advice if we are not confident about a decision.
TRUE. The Code says "the board should take professional advice where necessary before making important decisions and should not rely excessively or exclusively on a single source" (D8).
9. I am a company director of a charity. This means I am also a trustee of the charity.
TRUE. In a charitable company, company directors and trustees are the same people.
10. Our board can delegate day to day running to staff but we still remain ultimately responsible.
TRUE. The Code says "trustees have and must accept ultimate responsibility for directing the affairs of their organisation, ensuring it is solvent, well-run and delivering the outcomes for which it has been set up" (B, first supporting principle). The Code also says "the board should ensure that staff, volunteers and agents have sufficient delegated authority to discharge their duties. All delegated authorities must have clear limits relating to budgetary and other matters" (F, second supporting principle).



This handout can be downloaded from
www.governancehub.org.uk



Slide 1: Who are the trustees?

Full voting members of the governing body

Entrusted with the assets (money, property, equipment) of the organisation

Operate within a formal set of rules (sometimes called a constitution)

In a charitable company, company directors and trustees are the same people

Trustees often delegate day to day tasks to staff or volunteers

Slide 2: What are the duties of trustees?

Comply with the governing document

Duty of care – act reasonably and prudently according to your own expertise

Comply with charity and company law as appropriate

Protect the charity's property

Act in the best interests of beneficiaries and avoid conflicts of interest

Act collectively

Seek advice where you do not have the expertise to take a decision

Not financially benefit unless authorised



Exercises using the Code

– to understand board roles and responsibilities

Exercise 2 – The role of the board

(30 minutes)

✓ Compliance:

This exercise helps comply with: B (strategic direction), D4

About this exercise:

This exercise is a fun way to explore the role of the board. The exercise involves:

- a flipchart discussion on the role of the board
- a presentation on board roles

Learning objectives:

As a result of this exercise, participants should be able to describe the key roles of the board in governing the organisation.

You need:

flipchart paper, pens, projector

Leader preparation:

Practise drawing the train and conduct a trial run of the presentation slides.

⚙️ How to:

1. **On a flipchart, make a drawing of a train.**
2. **Ask the group: “if this train was your organisation, what would be the role of the board?”**
3. **Flipchart answers next to the drawing.**

The exercise is supposed to be fun!

If the group do not warm quickly, try these prompts:

Who is driving the train? Who are the passengers?

Who maintains the train? Who decides on the destination?

Try and get as many ideas as possible. Encourage debate!

4. **Discuss and summarise.**

There are no right or wrong answers to this exercise. The idea is to use a creative means of exploring the essential roles of a board. Some may see the role of the board as the driver. Others may see this as the role of a chief executive. Sometimes the trustee board may be reluctant to place the board in a commanding role – for example in a democratic membership organisation.

5. **Present the Essential Roles of the Board** (overleaf)





Set and maintain vision, mission and values

Develop strategy

Establish and monitor policies

Ensure compliance with the governing document

Ensure accountability

Ensure compliance with the law

Maintain proper fiscal oversight

Respect the role of staff / volunteers

Maintain effective board performance

Promote the organisation

Where staff are employed:

Set up employment procedures

Select and support the chief executive



This presentation can be downloaded from
www.governancehub.org.uk



Set and maintain vision, mission and values – The trustee board is responsible for establishing the essential purpose of the organisation. They are also responsible for guarding the ethos and values of the organisation.

Develop strategy – Together, the trustee board and chief executive officer develop long-term strategy. Meeting agendas reflect the key points of the strategy to keep the organisation on track.

Establish and monitor policies – The trustee board creates policies to govern organisational activity. These cover guidance for staff and/or volunteers, systems for reporting and monitoring, an ethical framework for everyone connected with the organisation and the conduct of trustees and board business.

Ensure compliance with the governing document – The governing document is the rulebook for the organisation. The trustees must ensure it is followed. In particular, the organisation's activities must comply with the charitable objects in the governing document.

Ensure accountability – The trustees should ensure that the organisation fulfils accountability as required by law to (including): The Charity Commission, HM Revenue and Customs and the Registrar of Companies (if it is a company limited by guarantee). This includes publishing annual reports and accounts. The organisation should also be accountable to other groups who are sometimes known as stakeholders: donors, beneficiaries, staff, volunteers and the general public.

Ensure compliance with the law – Trustees are responsible for checking that all the organisation's activities are legal.

Maintain proper fiscal oversight – The trustees are responsible for effectively managing the organisation's resources and funding so it can meet its charitable objects. The trustee board: secures sufficient resources to fulfil the mission, monitors spending in the best interests of the organisation, approves the annual financial statement and budget, protects the organisation against liability by providing insurance, seeks to minimise risk for the organisation, participates in fundraising (in some organisations) and ensures compliance with the law.

Respect the role of staff / volunteers – the trustee board recognises and respects the domain of staff and / or volunteer responsibility. At the same time, it creates policy to guide staff and/or volunteer activities and safeguard the interests of the organisation.

Maintain effective board performance – The board keeps its own house in order. It engages in productive meetings, effective committees with adequate resources, development activities and regular reviews of its role. The board is also responsible for overseeing trustee board recruitment.

Promote the organisation – Through their own behaviour, their governance oversight and their activities on behalf of the organisation trustees enhance and protect the reputation of their organisation. They are good ambassadors for the organisation.

Where staff are employed:

Set up employment procedures – The trustee board creates comprehensive, fair and legal personnel policies. These protect the organisation and those who work for it. They cover recruitment, support, appraisal, remuneration and discipline.

Select and support the chief executive – If necessary, the trustee board creates policy covering the employment of a chief executive. They also select and support the chief executive and review their performance.

(from NCVO)



This handout can be downloaded from
www.governancehub.org.uk

Exercises using the Code

– to understand board roles and responsibilities

Exercise 3 – Governing or managing?

 (30-45 minutes)



Compliance:

This exercise helps comply with: B (strategic direction)

About this exercise:

This exercise explores the roles of the board and those of staff or volunteers. There are two options: one is an open exercise where the group has its own discussion about respective roles with minimal prompting. The second is a structured exercise where the group works through a predetermined list.

Learning objectives:

As a result of this exercise, participants should be able to list the complementary roles of the board and staff/volunteers and describe the areas of overlap.

You need:

flipchart paper, pens, handouts (for option 2 only)

Leader preparation:

Review the notes. Make copies (option 2 only).

Option 1 – open discussion

 (45 minutes)



How to:

1. Prepare two flipcharts with three columns (as indicated): board, staff, both.

BOARD	STAFF	BOTH

2. Ask the group to identify the top five roles within each column (i.e. roles of the board; roles of staff; roles of both). Use the information from Option 2 as a prompt if necessary.
3. Review the answers as a group. Is there anything participants would like to review or change, perhaps where roles overlap? Use the Code to identify where practical changes may be needed (e.g. internal controls, induction of trustees).

Option 2 – structured discussion

 (30 minutes)



How to:

1. **Distribute copies of the handout (page 21)**
2. **Ask the group to identify as best they can who should be doing each of the tasks listed.**
3. **Review the answers as a group.** Ask why the choices were made and flipchart a list of guiding principles. How do the sets of roles identified in each column compare with what actually happens in the organisation? Is anything ambiguous? Why? Is there anything participants would like to review or change? Why?

Suggested answers

Task	Board?	Staff?	Both?
Setting the annual budget			X
Setting the pay of the manager	X		
Deciding on the date for the next event		X	
Agreeing new staff disciplinary procedures	X		
Drawing up a timetable for the conference		X	
Authorising weekly volunteer expenses		X	
Designing and agreeing a new organisational brand			X
Reviewing the health and safety policy			X

Handout Who does what?



Identify who should be doing the following key tasks in your organisation:

Task	Board?	Staff?	Both?
Setting the annual budget			
Setting the pay of the manager			
Deciding on the date for the next event			
Agreeing new staff disciplinary procedures			
Drawing up a timetable for the conference			
Authorising weekly volunteer expenses			
Designing and agreeing a new organisational brand			
Reviewing the health and safety policy			



This handout can be downloaded from
www.governancehub.org.uk

Exercises using the Code

– to reflect on the bigger picture

Exercise 4 *Understanding your stakeholders*

● (1 hour)

Compliance:

This exercise helps comply with: H (Board openness)

About this exercise:

The Code says: “the board should be open, responsive and accountable to its users, beneficiaries, members, partners and others with an interest in its work” (Key principle H). In this toolkit we call these groups “stakeholders”.

The purpose of this introductory exercise is to help the board learn more about the organisation’s stakeholders and can be the starting point for a more comprehensive stakeholder analysis.

Learning objectives:

As a result of this exercise participants should be able to: list the organisation’s stakeholders; describe how the board communicates with each one and involves them in their decision-making; and agree an action plan for improving this relationship.

You need:

flipchart paper, pens

Leader preparation:

Familiarise yourself with the exercise. Read part H of the Code.

How to:

- 1. Divide into small groups.**
- 2. Each group draws up a list of the stakeholders in their organisation.** To prompt, ask for groups who have an interest in the organisation’s work: for example, trustees, staff, volunteers, users, beneficiaries, members, partners, funders, public, other voluntary or community organisations and government.
- 3. Together, collate responses and agree a single list.**
- 4. Divide into groups again, each group taking one or two stakeholders (this depends on the size of the group).** Each group consider:
 - a. How does the board communicate and consult with this stakeholder? Is this sufficient?
 - b. How are their views included in decision-making? Is this sufficient?
- 5. Together, collate responses.**
- 6. Discussion:** is the way in which the board communicates and involves stakeholders sufficient? What further work needs to be done to understand and work with stakeholders better?
- 7. Action planning.** Identify 2-3 action points and agree who will take these forward.

Exercises using the Code

– to reflect on the bigger picture

Exercise 5 *Thinking creatively*

 (10-30 minutes)



Compliance:

This exercise helps comply with: E13 (Review)

About this exercise:

How much opportunity does your board have to think creatively about your organisation – its values, its future direction and what makes it special? Do you sometimes find your board business is bound up in formal procedures or routine matters that prevent you from having these discussions regularly?

This straightforward exercise suggests simple and quick questions to generate creative discussion, ideal at an away day or at the beginning or end of a meeting.

Learning objectives:

As a result of this exercise, participants should be able to think creatively about the organisation they govern and its place in the world, keeping their motivation, passion and contribution to the board alive.

You need:

flipchart paper, pens

Leader preparation:

Familiarise yourself with the questions.



How to:

1. Pick one question (or supply your own).

What do you value most about this organisation?

What do you find most rewarding about being a board member?

What difference does the board make to the organisation?

If the organisation disappeared tomorrow, would people miss us? Why?

What is our biggest asset?

If we could only do one thing, what would it be?

In an ideal world, what will this organisation be doing in ten year's time?

2. Pose the question to the group and allow some time for reflection in groups or in pairs.

3. Call the group back and ask each group / pair to contribute in turn.

4. Discuss findings.

Exercises using the Code

– to plan board recruitment

Exercise 6 *Building an inclusive and diverse board*

  (1 hour 30 minutes)

Compliance:

This helps comply with: C (equality and diversity), D (skills and experience), E (renewal and recruitment), D5

About the exercises:

In this exercise, participants can review the different skills, experiences and knowledge their organisation needs to govern well and draw up an action plan for board recruitment.

To do this, the exercise takes a detailed look at the profile of your organisation's governance and devises an action plan. It consists of **icebreaker**, **action planning** and **review** exercises.

Learning objectives:

As a result of the exercises, participants should be able to: draw up a board profile containing ideal skills, knowledge and experience; carry out an audit of the current board membership; and create an action plan for recruiting board members.

Exercise 6 *Icebreaker – what type of trustee are you?*

 (30 minutes)

About this exercise:

This icebreaker is designed to help trustees think about where they contribute to their board's work and where they would like to develop their role further.

You need:

handout, flipchart paper, pens

Leader preparation:

Familiarise yourself with the handout and slide.

Make copies of the handout.

How to:

1. **Present the slide (see page 25) called “What do you contribute as a trustee?”**
2. **Working in pairs, ask each trustee to identify which roles they feel they take on their board. Choose up to three.**
3. **Ask each trustee to feedback their three roles and collate.**
4. **Facilitate a discussion about the findings. Are there roles (listed or additional) individual trustees would like to develop further?**



Advisory – providing expert advice and knowledge to help the organisation make decisions and carry out its work

Regulatory – keeping a close eye on how the organisation complies with its legal and other requirements

Democratic – taking particular interest in different stakeholders, to help give the organisation direction and ensure they're brought into the governance debate

Educational – stimulating debate, learning and sharing of expertise

Participatory – seeking and supporting the voices of users of its services in decision-making

Networking – being an ambassador, promoting the organisation and bringing in important contacts

Involving – motivating and developing board members

Visionary – bringing passion to the mission of the organisation and inspiring others to be motivated

Leaders – steering the organisation in the right direction

Supporters – providing support to the staff and volunteers in the organisation



This presentation can be downloaded from
www.governancehub.org.uk

Exercises using the Code

– to plan board recruitment

Exercise 6 *Action planning – board profile exercise*

● (1 hour)

About this exercise:

This exercise helps a board identify the skills, experiences and perspectives it needs to govern effectively. Its overall aim is to think through how to create an inclusive and diverse trustee board.

You need:

flipchart paper, pens

Leader preparation:

Familiarise yourself with the exercise.



How to:

1. Introduce the exercise.

Split into small groups and ask the groups to imagine they were setting up their organisation from scratch. They are asked to list the skills; experience; knowledge; background/ demographics; and qualities they think their organisation will need to govern effectively. If the group gets stuck, familiarise yourselves with the Essential Roles of the Board (page 18) or begin with the “train” exercise (page 16).

2. Collate the responses from each group. Write an agreed list on a flipchart and draw three columns next to it. The columns should read: needed by every trustee; needed on the board; needed by the organisation (not required on the trustee board).

- **by every trustee** means all trustees should demonstrate the particular attribute skill, knowledge, quality etc. (e.g. team working)
- **on the board** as a whole means at least one trustee should hold this particular attribute (e.g. financial skills or a user perspective)
- **by the organisation** as a whole means the attribute need not be held by a board member, but be held within the organisation – say, by an advisor, in a sub-committee or working group or from staff or a volunteer (e.g. legal expertise or service delivery knowledge)

3. Ask each member of the group to take it in turns to tick where they feel each attribute is required (if you time this just before a longer refreshment break you can allow more time for a larger group to circulate around the flipchart).

4. Create an agreed list using the majority answers, discussing any differences of opinion.

The organisation now has a **board profile** that can be used to help identify gaps in the board, recruit new board members and draw up trustee “job descriptions.”

Exercises using the Code

– to plan board recruitment

Exercise 6 *Follow up exercises* *(timings vary – not all face to face activities)*

1. Skills audit

Type up the profile and distribute to each board member, asking them to complete it marking which attributes they feel they hold. You could telephone each trustee to gather responses, ask for email replies or else conduct the survey at the next board meeting working in pairs. This “audit” can help identify current gaps.

2. Recruitment planning

A working group could be tasked with drawing up a recruitment plan based on the profile. Consider the following points:

- Does the current selection/election process for board members lead to a board with the right mix of skills, experiences and perspectives?
- Can the potential pool of trustees be widened by using different recruitment methods?
- Is the selection process for trustees open and transparent?
- Can volunteers, members or service users be developed so they have the skills and confidence to serve on the board?
- Can co-options (where new trustees are appointed by the trustee board rather than by members) or other methods be used to fill gaps in terms of skill or experience on the board?
- Does the way the board operates need to change to be more inclusive?
- Is the induction and training offered to trustees sufficient?

Exercises using the Code – for learning and development

Exercise 7 – Your role on the board

 (30 minutes)

Compliance:

This helps comply with D (development and support), E (performance appraisal)

About this exercise:

This short exercise helps individual trustees consider their own role and contribution to the board. It can help identify training or support needs. It can also form the basis for an individual trustee appraisal.

Learning objectives:

As a result of this exercise, participants should be able to plan individual development, training or support needs.

You need:

handout, flipchart, pens

Leader preparation:

Familiarise yourself with the exercise. Try out the exercise yourself.

Make copies of the handout.

How to:

- 1. Introduce the exercise.**
- 2. Divide the group into pairs. Ask each pair to complete the questionnaire individually.**
- 3. Ask the pairs to swap their findings and discuss with their partner.** Ask them to identify: how would you like to learn more about “no” scores? Be ready to feed back one or two points that apply to whole board (e.g. both of us need to know more about our personal liability).
- 4. Collate learning areas.** Discuss how the gaps in learning could be filled – for example, organising a session for the board; linking up with another organisation; contacting the local Council for Voluntary Service.
- 5. Optional discussion:** Are trustees interested in using the questionnaire as part of an individual appraisal, once a year, in discussion with the chair?

Handout *Your role as an effective trustee*



Twenty questions for you to consider (you should be able to answer “yes” to most of them – or be ready to learn more – if you want to be effective as a member of your organisation’s board)

	Yes	No
1 Do you have a copy of the organisation’s governing document?	<input type="checkbox"/>	<input type="checkbox"/>
2 Are you clear about the organisation’s aims / purpose?	<input type="checkbox"/>	<input type="checkbox"/>
3 Do you know what the organisation’s legal status is?	<input type="checkbox"/>	<input type="checkbox"/>
4 Do you know what the legal responsibilities of the board are?	<input type="checkbox"/>	<input type="checkbox"/>
5 Do you know what entitles someone to be a member of the board?	<input type="checkbox"/>	<input type="checkbox"/>
6 Do you know what your personal liability is as a trustee?	<input type="checkbox"/>	<input type="checkbox"/>
7 If you represent another organisation, are you clear what your role is?	<input type="checkbox"/>	<input type="checkbox"/>
8 Do you observe the rules governing meetings and decision making?	<input type="checkbox"/>	<input type="checkbox"/>
9 Do you know what to do if you have a personal interest in the outcome of a decision?	<input type="checkbox"/>	<input type="checkbox"/>
10 Do you understand what collective decision-making means?	<input type="checkbox"/>	<input type="checkbox"/>
11 Are you sufficiently informed about the activities of the group in order to take part in decision-making?	<input type="checkbox"/>	<input type="checkbox"/>
12 Do you put forward items to the chair for the agenda?	<input type="checkbox"/>	<input type="checkbox"/>
13 Do you put time aside to read the paper work sent out by the group?	<input type="checkbox"/>	<input type="checkbox"/>
14 Do you get to meetings on time?	<input type="checkbox"/>	<input type="checkbox"/>
15 Do you actively contribute in committee meetings?	<input type="checkbox"/>	<input type="checkbox"/>
16 Do you respect other members even if you disagree with their views?	<input type="checkbox"/>	<input type="checkbox"/>
17 Do you put aside personal differences you may have with another member when you come to meetings?	<input type="checkbox"/>	<input type="checkbox"/>
18 Do you volunteer to help with tasks outside the meetings?	<input type="checkbox"/>	<input type="checkbox"/>
19 Do you make every effort to attend, giving your apologies when you are unable to?	<input type="checkbox"/>	<input type="checkbox"/>
20 Do you take time to make new committee members welcome?	<input type="checkbox"/>	<input type="checkbox"/>

(adapted from a questionnaire provided by Richmond Council for Voluntary Service – original source unknown)



This handout can be downloaded from
www.governancehub.org.uk



Section 4 Using the Code to carry out an assessment or governance review

The Code of Governance is designed in such a way that your organisation can use it to review its governance arrangements. You can then assess how far your organisation complies with the Code. This section suggests three practical ways you can do this.

The first method involves reviewing your governance arrangements against the summary principles in the Code. You may be a smaller organisation which doesn't find the detailed Code appropriate, or you may prefer to conduct a shorter review.

The second method involves working through the Code's detail and assessing how your organisation compares or "complies" with its details. This will take you through a variety of stages, from preparing for the assessment to completion and review.

The third method uses the Code's companion publication, *Learning to Fly*, which has been designed specifically for small community groups. This method allows you to review your governance arrangements using *Learning to Fly*.

Method 1: An assessment using the Summary Code of Governance

The following assessment exercises are designed to gain a greater understanding of the main principles of good governance. They use the summary principles only in the Code rather than the detailed statements. The summary principles have been published as a separate document which can be used for the exercises below. The summary can be downloaded from the Governance Hub website.



Think of the Code as a series of three levels:

Level 1 consists of the heading for each Code area (B-H), each described by a key principle

Level 2 consists of the supporting principles, between 2 and 6 statements of best practice to support each main principle

Level 3 consists of the individual, detailed clauses in the Code

Exercise 1 *Group assessment with the Code summary*



How to:

1. Circulate the Code Summary to the board in advance of a meeting.
2. In small groups, each take one or two areas from the Code (B-H). For each area, look at the supporting principles and discuss:
How do we currently carry this out?
How could we improve this area?
How important is it for us to carry out more work on this? (try scoring each area of improvement as – critical, need to do soon, desirable, we're doing well)
3. Report back. As a group, put the list of Code areas (B-H) into priority order (you could 'vote' using sticky labels).
4. At future meetings, put one topic on the agenda at each meeting. Look at the exercises in section 3 for ideas on how to cover the topic at the meeting.

Exercise 2 *Self-assessment exercise*



In this exercise the board is asked to complete a self-assessment questionnaire based on the Summary Code of Governance. A version of the Code, formatted into a questionnaire, is available to **download** from the Governance Hub website.

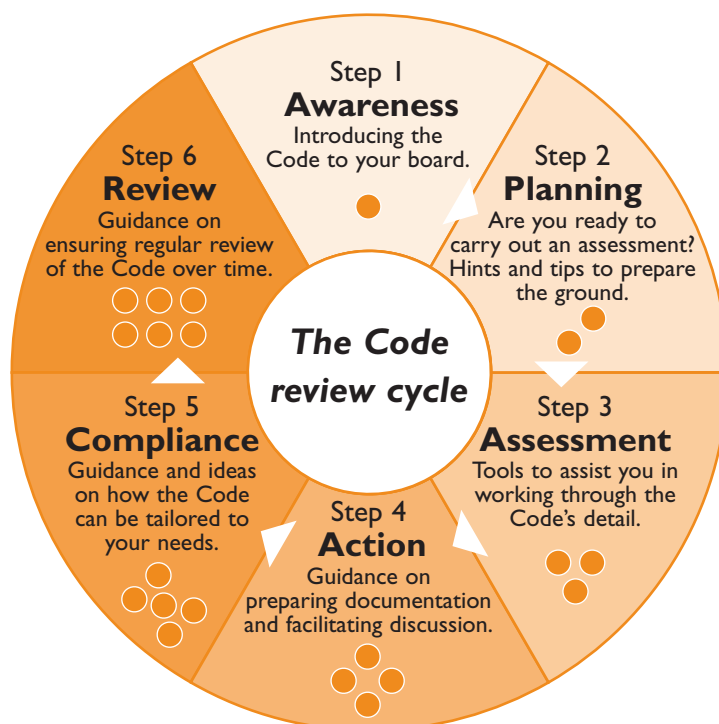


How to:

1. **Review the summary Code questionnaire**, making any amendments to suit your organisation's circumstances (e.g. use of terminology, statements that are not relevant).
2. **Circulate the questionnaire** to each board member who then "scores" how they feel the organisation meets each principle, writing down any action points. Ask relevant staff to complete the questionnaire too.
3. **Ask for the questionnaires to be returned.**
4. **Collate the responses** (collate staff responses separately to compare and contrast with board responses). Identify the three Code areas that scored lowest. For each of these areas, pick out up to three specific points raised by board members.
5. **Hold a dedicated meeting** or away day to discuss in detail the points raised. Working in small groups on the day can help ensure everyone has the opportunity to contribute in detail.

Method 2: An assessment with the detail of the Code

This section sets out a suggested method for reviewing your governance arrangements against the detail in the Code of Governance. It includes a step-by-step six-stage process along with tools and examples from organisations that have already carried out a review.



How your review might work in practice

If you follow the six-step method in this section, your review may look like this:

1. Hold an exercise with the board to raise awareness of the Code (see page 34), agree to take forward a review and agree to set up a review group. Pledge your support for the Code using the Governance Hub's online charter and on your website.
2. Form a review group made up of trustees, staff and a service user or organisation member.
3. Hold a review group meeting to carry out a quick "summary assessment" of the Code (see page 38). Prioritise which of the Code areas you will work on first.
4. Carry out a detailed assessment of the first priority area (you may assess more than one area at once if you have time and people to work with you). Agree action points and divide up tasks (e.g. one pair drafts a job description; another plans a workshop). Make amendments to the Code to suit your organisation's circumstances.
5. Report back to the board to: gain their approval for suggested changes; seek their views on ideas or draft documents; hold discussions; run a training session. Compile all the documents and evidence in a file accompanying the Code.
6. Repeat steps 4 and 5 until all seven areas of the Code have been assessed.
7. Formally adopt the Code as your organisation's governance handbook. State your compliance using the Governance hub's online charter and in your annual report.

● Step 1 – Awareness

Ideas to raise awareness of the Code in your organisation

- Use the suggested exercise in the box below to introduce the Code to the board, carry out a quick “taster” assessment and decide on a plan to take the Code forward.
- Run an exercise from section 3 on the roles and responsibilities of the board. Here, an introduction to good governance gives a “taster” about what the Code covers and can help the board see the practical value of using the Code.

Exercise 1 Getting started with the Code (allow up to 60 minutes)



Learning objectives:

As a result of this exercise, the board should be able to describe the benefits of using the Code and agree the overall plan for reviewing their organisation’s governance using the Code.



How to:

- 1. Circulate the Code to board members** and ask board members to read through it before a meeting.
- 2. At the meeting,** provide a brief overview to the Code using the information in Sections 1 and 2 of this toolkit (a sample presentation can be **downloaded** from the Governance Hub website).
- 3. Trustees divide into groups.** Each group is given one or two areas from the Code (e.g. board leadership and the board in control) and tasked with a quick assessment called “candle; question mark; arrow.” Each group reads through and reflects on the area(s). The group then identifies a new idea (a candle), a challenge (a question mark) and an action point (an arrow) from each area.
- 4. Feedback to the whole group and discuss findings.** Look at the list of question marks and arrow points. Do they point to the need for a review of the Code? If so, how detailed is the review likely to be?
- 5. Discussion of the next steps.** What happens next? Who will take forward the review? (see step 2 for further guidance)

Involving staff:

If you employ staff, try this exercise with those likely to be involved in the Code – your chief executive, senior management team or staff with responsibility for supporting the board.

Step 2 – Planning

Before you start an assessment of the detail of the whole Code, it pays to plan ahead and be sure you are ready to commit the time and resources. An honest assessment of your readiness will allow you to judge whether it is the right time for you and the pace at which you can realistically progress.

Checklist: are you ready to embark on an a full assessment of the Code?

Before you start an assessment of the Code, think through the following questions.

If you can answer yes to all of them you are probably ready to undertake the task.

- Is your organisation in a relatively stable period (for example, you are not undergoing a merger or crisis)?
- Is there adequate leadership in place (for example a good working relationship between board and staff/volunteers) to be able to take forward recommendations that arise from the review?
- Is the board ready to examine its own performance, to commit the time to the review and, if necessary, make changes to working practices?
- Are staff (if you employ staff) ready to commit the time, examine their own performance in relation to governance and, if necessary, make changes to working practices?
- Are there sufficient resources in place (people to undertake work and/or a cash budget) to carry out the review?

Why we embarked on a review of the Code of Governance

Allergy UK: “There was a recognition from the Board of Trustees that they had to assume full responsibility for the governance of the organisation but it was also recognised that there were differing views within the Board on exactly what this meant”

Suffolk Association of Voluntary Organisations: “Experience suggested that many issues and problems faced by voluntary groups can be routed back to poor governance. As an infrastructure group supporting over 5000 groups in Suffolk, it is vital that our own Governance practice is good”

Planning ahead

Here are three questions to help shape your approach to the assessment:

1. Who will participate in the conduct of the review?

First, consider appointing a “Code champion” or asking someone to volunteer. This can be a member of the trustee board who takes the overall lead on the Code. It is not suggested the “champion” carries out all of the detailed work on the Code, but rather helps the board keep the Code (literally) on the agenda, keep progress on track and maintain momentum. Think of them as the “leader” for this project.

Next, make a list of people who are willing to contribute additional time to the review with the Code champion. Ask for commitments from trustees, staff and, if you feel it appropriate, an outside advisor, service user, member or other interested group. Consider those who:

- have the authority and overview to be able to take forward what may be significant changes to your organisation or
- who have the interest and/or knowledge in governance to contribute to discussions.

Consider setting up a **review group** – a working group reporting to the board – based on the list of people you have drawn up. A review group allows individuals with a range of different roles to oversee the process. It takes pressure off board meetings and if you have a staff team does not rely on staff solely to steer the process. Sample terms of reference for a review group is available to **download** from the Governance Hub website.



Identify other members of the organisation who may be affected by the assessment. Individual members of staff (or heads of department in larger organisations) may be required to conduct detailed reviews or draft new documents. Are they aware of the forthcoming work on the Code and are they ready to be involved?

2. How much time do you have to spend?

Be realistic and set out what you want to achieve. Then halve this list! It is far better to make good progress in a certain area, than to end up giving up because you've taken on too much. Working through the detail of the entire Code could take a significant amount of time. Are you envisaging spending a few hours at a meeting or away day; an agenda item at a couple of board meetings; or a number of months to work through a comprehensive assessment? Do you have a deadline (for example a forthcoming AGM) where you are keen to publicise your adoption of the Code?

3. What is your budget?

Do you have one? Do you have access to outside help (for example, your voluntary sector association or a consultant)? You may find you need to put in place board training or a facilitator for an away day. Some funders will support work like this, so you could apply for small grant to cover the costs of your work on the Code. Contact the Governance Hub for guidance.

A budget for governance development

Your budget may include:

Meeting room hire and refreshments	Travel expenses for trustees
Communication support (e.g. signer)	Trainer/facilitator fees (@ £x per day)
Trainer/facilitator expenses (@ £x per day)	Office costs (telephone, stationery, postage)
Staff time (@£x per day)	Overheads (contribution to rent, utilities, management etc.)
Legal fees (e.g. to review the governing document) (@ £x)	

Step 3 – Assessment

In this step, statement F8 from the Code of Governance is used as an illustration. F8 says:
“The board may wish to set up sub-committees, advisory groups, panels or other bodies to assist with its work. Such bodies should have clear, written terms of reference in addition to any delegated authority”.

A version of the Code is available online which has been formatted to help you assess your organisation’s governance against the Code – see the illustration on page 39

Starting out – a summary assessment

If you launch straight into the detail of the Code, you may find it difficult to prioritise and become overwhelmed by small action points.

Instead, a summary assessment can broadly identify where your organisation compares with the Code. The result of the assessment should be to draw up a priority list of those areas of the Code you will start work on first. For example, as a result of a quick assessment you may identify a lot of action points in Board Delegation, and decide you will concentrate on a thorough assessment of this area first.



This summary assessment could be carried out by members of your review group, if you have set one up; or by the whole board. You may decide to hold an away day (say, half a day) or hold a dedicated board meeting (if you do this, ensure you have allocated sufficient time and can get through routine business quickly!).

What we did: Suffolk Association of Voluntary Organisations (SAVO)

“SAVO’s Corporate Services Manager and Training Manager went through the Code, checking their activities, policies, processes and practices against the detail of the sections. This led to a report to the full senior management team and a discussion of actions and changes required.

The chief executive briefed the chairperson in the regular meetings held between them. A trustee board paper was prepared including a summary of recommendations of items to be agreed by the board. This was taken to a board meeting and adopted.”

A suggested exercise is set out overleaf (see box).

At the end of this step, you should have drawn up a priority list of the order in which you will work on the seven areas of the Code. You may decide to take more than one area at once, depending on how many people are working with you and how much work you think is involved. Agree a timescale for when you will work on each area, including when you will report back to the board.

Exercise 2 Summary assessment



How to:

- 1. Make copies of the assessment version of the Code** (see download page 37) for each member of the group. Ask each person to read through the Code before a meeting, comparing how the organisation, in their opinion, meets each supporting principle and “scoring” each supporting principle appropriately.
- 2. At the meeting, divide into groups.** Each group is given one or two areas from the Code (board leadership, the board in control etc) with the copies from each person*, and tasked with identifying the top three action points for this area.
(*if you have the resources you could ask for the completed copies of the Code to be returned in advance, collate the responses and make a “matrix” of responses for each area for the groups to consider)
- 3. Feedback and discuss findings.** Look at the three highest scoring areas and take time to celebrate these as strengths of your organisation. Now look at the lowest scoring areas. Put them in order of priority and agree how and who you will take forward the detailed work.

Illustration:

In the summary review, F8 – “terms of reference” – was scored as follows

	Comply	Part comply	Don't comply	N/A	Action/evidence	Date
F8 (Terms of reference)		✓			Do all committees have terms of reference?	

In-depth assessment

You can now use your priority list to conduct in-depth assessments of specific parts of the Code. Here you will be working through each statement in turn (e.g. B1, B2, B3), assessing how your organisation compares to the stated practice and how any gaps can be filled: is it relevant to your organisation? If so, how do we comply? If it is not relevant, what practice should we adopt instead?

In the box opposite are listed seven questions. These questions are designed to help you identify the actions you may need to take to comply with a specific part of the Code, the urgency of complying and the type of input you will need from the board.

What we did: Voluntary Arts Network

Voluntary Arts Network (VAN)'s “governance review task and finish group” co-ordinated the review of the Code. The group consisted of seven people: key officers from the board, the chief executive officer and a senior manager.

They set up “Tiger Teams,” consisting of four or five individuals – staff, board members and other volunteers, including one or two members of the governance review group – who each looked at one or two of the principles in the Code.

VAN's approach involved as wide a spread of interested parties as possible, whilst keeping the number of people in each discussion small enough to enable consensus to be reached.

Code review questions

Take a statement in the Code. **F8 is used as an illustration.**

1. Check understanding

How far do you understand the statement?

- I don't know what this means or implies
- I have some idea what this means, but I'm not really clear about it
- I know what this means, but don't know how to achieve it
- I know what this means and how to achieve it

Illustration: F8 is clear and covers the written documents that are accurate, current and being properly used.

2. Identify evidence

In assessing your organisation's compliance, what do you think you need to look for?

- A policy, procedure or protocol
- Some other written document (e.g. business plan or board paper)
- Awareness or behaviour amongst individuals (e.g. how the board conducts its meetings)

Illustration: for F8 I need to find all committee terms of reference, the date they were adopted and compare them with meeting minutes to check the procedures are still being followed.

3. Relevance of statement

The statement is:

- Fully applicable to our organisation
- Applicable in part to our organisation but requires amendment
- Not applicable to our organisation

Illustration: F8 is applicable because we already have sub-committees as authorised in our governing document.

4. Do we comply?

I would describe what we do now as:

- No evidence we comply
- We partly comply (limited, inconsistent or not very effective)
- We comply – adequate, good or best practice

Illustration: we partly comply with F8 – the terms of reference for the finance committee are out of date and do not seem to be in line with current practice.

5. How can we comply or improve?

Make specific suggestions. For example:

- A document requires revision
- A new document is required
- A discussion or other action is required by the board
- A possible training need

Illustration: F8 requires a document revision and discussion or action by the board.

6. How important is this?

- Urgent – critical to mission or current breach of law or regulation
- Important – important gap or omission
- Desirable – required action but not urgent
- Low priority – not significant but desirable

Illustration: F8 is urgent because we are not following our own agreed practices.

7. What type of decision will be required in order to comply?

- A *discussion point* – further detailed discussion is required by the board before progress can be made
- A *Yes in principle* – Agreement in principle is required by the board before progress can be made
- A *Quick win* – Agreement can be sought from the board without detailed discussion
- A *General meeting* – A decision is ultimately required by members
- Board decision not required

Illustration: F8 is a quick win because most work and discussion can take place by the review group and the finance committee.

(This framework was adapted from guidance produced by Richmond Council for Voluntary Service)

What we did: Voluntary Arts Network

When the Voluntary Arts Network (VAN) carried out their detailed assessment, they used the following principles: determine and document current custom and practice; assess consistency of practice throughout VAN; make recommendations to the Board for any necessary changes in practice and policy.

Illustration: When F8 was assessed in detail the following actions were recorded

	Comply	Part comply	Don't comply	N/A	Action/evidence	Date
F8 (Terms of reference)		✓			Finance committee terms of reference in place but not reviewed for 5 years. Membership does not reflect terms of reference. Action: Recommend the finance committee review terms of reference using exercise on page 44 of toolkit.	July

Draw up an action plan to help you identify how to take forward the details. Here is an example:

Illustration: the action plan contained the following information about F8.

Item	Action	Who	When	Board input	Date
F8 (Terms of reference)	Review terms of reference and membership of finance committee	Finance committee	June	For approval July	July



Step 4 – Action

By now you will have identified specific action points which may involve, for example

- holding discussions with the board on a particular issue – for example, how to recruit new board members
- gaining the board’s approval in principle to take forward work on a topic – for example, conducting a review of board recruitment practices
- drafting new documents for board approval – for example, a conflicts of interest policy

You may have found that some items require approval by members at a general meeting. Or you may have decided that some statements require amendment to be fit your organisation’s own rules.

Below are some hints and tips on how you can take forward detailed action points.

Actions where board approval or input is needed

You’ll be needing to juggle Code of Governance matters as an agenda item with many other pressing issues – so think ahead to how you can make best use of the whole board’s time.

Discussion points

Some complex issues will require the board to spend time in discussion or feedback – for example, a discussion about board/staff relationships. For these items, try not to present more than one issue at a time, unless you are confident it is an issue that can be resolved in a short space of time or if you have allocated a chunk of time, such as at an away day. These discussion points are vital times for the board to provide face to face input.

Quick wins

You may have a number of “quick wins” you can sweep up – minor changes to documents and policies, for example (like the illustration above). These “quick wins” require board approval but with relatively little discussion at the board meeting. They can help keep momentum going.

“Yes in principles”

You could also ask the board to agree in principle to taking forward an idea. You may want to pilot a method over a short timescale (for example a new format for board papers) which may not require detailed board discussion immediately.

Actions where training, development or briefing of the board is needed

B4 says that “all trustees are equally responsible in law for the board’s actions and decisions...”. There are a number of statements in the Code like B4 that don’t simply point to a written document but instead suggest a level of knowledge and awareness of a governance issue amongst trustees and staff.

The exercises in section 3 are designed to help your board comply with aspects of the Code which point to the knowledge and awareness amongst trustees. The trustee quiz on page 13 helps clarify duties and responsibilities in an interactive session. Remember to run these types of sessions regularly as a refresher and update for board members and as part of trustee and staff inductions.

Actions where documents require drafting or revising

You may need to draft new procedures or amend terms of reference. Here are four methods of drafting documentation:

“Under the bus” approach

This approach, adopted by Allergy UK, is where documents are drafted in such a way that: “if for some reason the entire board and Senior Management Team were to be completely taken out of action, a new team could walk into the organisation, read the procedures and take it forward with the minimum of disruption to the services the organisation provides” (from Allergy UK).

“Straw dolls” approach

At the Voluntary Arts Network (VAN), small working groups were asked to work on draft documentation as “straw dolls” – draft documents that were sent round to board members and staff for comments before a final draft was presented for board approval. VAN felt “it was important that all felt free to maul and pull apart the straw dolls.”

Drawing on best practice

At Suffolk Action for Voluntary Organisations, new documents are written drawing on as many examples as possible, primarily from voluntary sector sources but also from statutory and private sector examples. The best elements of each examples are compiled to fit in within the organisation’s policy structures. Where appropriate, legal opinion is sought.

Group input

Some documents can be initially drafted by group discussion. This helps bring together a range of views to clarify a document’s main purpose. The following exercise can be used to draft an outline terms of reference for a sub-committee or working group – or it can be adapted to draft other documents. The detailed draft should be prepared by one person (to avoid writing by committee!).

Exercise 3 *Drawing up a sub-committee terms of reference*

Learning objectives:

As a result of this exercise, participants should be able to write down the purpose of a sub-committee.

How to:

1. **Preparation:** check your governing document and standing orders to see what they say about forming sub-committees in your organisation.
2. **At the meeting, split into small groups** and consider the following questions:
 - What is the purpose of the proposed committee?
 - Will it be able to make decisions or will it only be able to make recommendations for others to approve?
 - Will it have its own budget to spend?
 - Who will the committee report to?
3. **Report back** and agree a purpose, level of authority and line of reporting.
Work through the remaining questions as a group.
 - What skills and competencies will be required from committee members?
 - Will any specific individuals need to be members of the committee (treasurer; members, advisors)?
 - Who will be the chair?
4. **Agree one individual** to draft a terms of reference for board approval.
The terms of reference should include the above points plus:
 - How often will the committee need to meet?
 - Will the committee need to meet at a particular time (e.g. day/month)?
 - How long should meetings last?
 - Who will take minutes?
 - What will the quorum (minimum number of members for the meeting to be valid) be?
 - What is the name of the committee?



Step 5 – Compliance

This step outlines some practical ways the Code can be adopted by your organisation. You may want to adopt the Code as a handbook, or to announce your work on the Code publicly. You do not need to wait until you have finished your review to carry out this step!

The Code as a Governance Handbook

A number of organisations are already adopting the Code as their organisation's own code of practice. Documents such as your organisation's policies and procedures can be collated with your code to turn it into your Governance Handbook.

In order to turn the Code into your own code of practice, you will need to adapt the language of the Code. Try this procedure suggested by the National Association of Gifted Children:

- Where the Code says “must“, amend to say “do” or “will do”
- Where the Code says “should” or “may consider”:
 - if the item is relevant to you, say either “do” or “will do”
 - if the item requires some amendment to fit your circumstances, then say either “do” or “will do” and amend the sentence as appropriate to your organisation
 - if the item is not applicable, state this and, if relevant, the reasons why



A text version of Code of Governance is available to **download**. Please acknowledge the source of your code as being *Good Governance: the Code for the Voluntary and Community Sector*.

Demonstrating you comply with the Code

To demonstrate to your organisation, and the outside world, that you comply (or are working to comply) with the Code, you could:

- included a statement in your organisation's annual report (a practice to be adopted by Suffolk Action for Voluntary Organisations)
- formally adopt the Code at your organisation's Annual General Meeting (a practice to be adopted by Allergy UK)
- upload the Code to your organisation's website as a governance reference guide and a public demonstration of and commitment to good governance in your organisation (a practice to be adopted by Allergy UK)
- register with the Governance Hub's online charter (see section 6).



Step 6 – Review

The Code is not a static document to be left on the shelf. You may find your organisation changes over time in terms of its objectives, services or board membership.

- You should agree to review your compliance with the Code on a regular basis (for example every two years).
- You could also use the Code to facilitate a regular discussion or hold a self-assessment with board members, every year or two years. This could help bring board members up to speed on their responsibilities and also identify where board members see areas of strength and weakness. A discussion or self-assessment could use the method on page 32.

Method 3: Using *Learning to Fly* to review your governance arrangements

Exercise Using *Learning to Fly*

This exercise is designed for organisations that want to implement the detail of the Code but find much of the Code's detailed statements inappropriate for their circumstances. You may be a small community group, keen to review your governance arrangements but finding the Code's detail unsuitable for your own needs.

Instead of using the main Code, the exercise uses the Code's companion publication, *Learning to Fly*. *Learning to Fly* accompanies the Code but instead sets out the main principles of governance for how they generally relate to community organisations.



A version of *Learning to Fly* has been specially formatted for use with this method. This assessment version is available to **download** from the Governance Hub website.



How to:

- 1. Distribute copies of *Learning to Fly* to board members** and ask people to read it before the meeting.
- 2. At the meeting**, divide the eight areas in *Learning to Fly* between board members and break into pairs or small groups, each taking two areas each.
- 3. In groups**, review the area and its individual statements and next to the individual statements identify where
 - we do this well (and have evidence)
 - we probably do this (but can't identify evidence)
 - we do not do this or need to improve

Use the assessment version of *Learning to Fly*.

- 4. Report back** and discuss the findings as a group.
- 5. Agree a priority list of action points** (you could "vote" using sticky labels).
- 6. Ask for volunteers to form a small group** to take forward the findings.

Make sure you identify people who have the time to commit to the group and are able to take forward recommendations.

Illustration:

Read the flight manuals

Item	We do this well (and have evidence)	We probably do this (but no evidence)	We do not do this / need to improve	Notes
Follow your own rules: Committee members have a copy of the governing document and understand it		✓	Do all members have copy? I don't understand all aspects of the governing document.	

Section 5 Resources, guidance, hints and tips

This section goes through the Code area by area, compiling ideas, hints and tips, model documents and further reading.



Details of all resources are on the Governance Hub website. Many are available for direct **download** from **www.governancehub.org.uk**.

The resources in this section are grouped into the following categories:

Prepared earlier – model or template documents available to download or as a link from **www.governancehub.org.uk**

Exercise – a practical exercise in the toolkit

Further reading – links to useful organisations and/or specific documents

Tip – idea based on best practice

Downloads – available to download straight from **www.governancehub.org.uk**

Useful websites

Governance Hub **www.governancehub.org.uk**

Association of Chief Executives of Voluntary Organisations (ACEVO) **www.acevo.org.uk**

British Association of Settlements and Social Action Centres (bassac) **www.bassac.org.uk**

Charity Commission **www.charitycommission.gov.uk**

Institute of Chartered Secretaries and Administrators (ICSA) **www.icsa.org.uk**

National Council for Voluntary Organisations (NCVO) **www.ncvo-vol.org.uk**

B – Board leadership

The role of the board

Exercise – Try the first two exercises in section 3 (pages 12 to 18) as an interactive way of raising awareness of trustees’ duties, roles and responsibilities.

Further reading – Read through the Charity Commission’s *The Essential Trustee* publication (CC3 – free from their website).

Prepared earlier – Do you have a Code of Conduct for your board? A Code of Conduct is a written document setting out agreed working practices, values and behaviours. It includes statements like “I will strive to attend all board meetings, giving apologies ahead of time to the Chair if unable to attend” (the National Council for Voluntary Organisations (NCVO) have a **downloadable** model Code called *Best Behaviour*).

Strategic direction

Exercise – The “Governing or managing?” exercise in section 3 can help clarify respective roles between board and staff.

Prepared earlier – Contact the Association of Chief Executives of Voluntary Organisations (ACEVO), the professional body for chief executives, or NCVO, for a model chief executive job description and for their publications on board/chief executive relations.

Tip – Some questions for the board to consider include:

- do we focus most of our attention on long term significant policy issues rather than short term administrative matters?
- do we have a vision of how the organisation should be evolving over the next three to five years?
- are we periodically involved in a strategic planning process?

C – The board in control

Compliance

Tip – Are the board notified annually of the organisation’s compliance with legislation? Do you have an agenda item for this purpose?

Further reading – If you are a company limited by guarantee then you will have a Company Secretary who handles company administration. The Institute of Chartered Secretaries and Administrators (ICSA) is the professional body for chartered secretaries. ICSA have **downloadable** briefings and documents for the Company Secretary.

Tip – A trustees’ induction pack should contain a copy of the governing document. Hold a briefing for new trustees explaining the document’s legal jargon.

Internal controls

Prepared earlier – when drawing up internal procedures, you don’t need to start from scratch. Local organisations should try their Council for Voluntary Service for examples of policies and financial procedures. These should be tailored for small organisations.

Exercise – *Living Policy*, by NCVO, suggests boards of larger organisations begin a review of their organisational policies by first assessing their main board responsibilities (see page 16) and then identifying which policies exist to help them achieve each of these responsibilities. A risk assessment can help prioritise the changes that may be needed and gaps to be filled.

Prepared earlier – You can **download** a sample terms of reference for an audit committee from NCVO.

Risk management

Further reading – A risk assessment exercise identifies and classifies potential risks. One model scores each risk by Likelihood and Impact. This risk “map” can then be used to prioritise how to handle risks. A model risk assessment is contained in NCVO’s *Tools for Tomorrow* that also contains a number of strategic planning exercises.

Further reading – The Charity Commission’s booklet *Investment of Charitable Funds* (CC14) covers regulatory guidance for charities on investment policies. There is also a **downloadable** booklet *Investing Responsibly* for charity trustees produced by Ethical Investment Research Services.

Equality and diversity

Exercise – Try the exercise on page 24 on building an inclusive and diverse trustee board.

Further reading – *Development through Diversity* – is a step-by-step toolkit for community organisations published by bassac. bassac also have case studies of organisations that have worked to encourage diversity and tackle discrimination.

Does your organisation have an agreed diversity policy? How does it compare with C15 in the Code (equality and diversity)?

Further reading – NCVO has a publication called *Making Diversity Happen*, a practical guide with case studies and checklists.

D – The high performance board

Trustee duties and responsibilities

Further reading – Obtain a copy of the National Occupational Standards (NOS) for Trustees and Management Committee Members (see page 4)

Prepared earlier – You can **download** sample letters of appointment from the Institute of Chartered Secretaries and Administrators (ICSA) or NCVO.

Sample trustee role (or job) descriptions are available to **download** from ICSA or NCVO.

The effective board

Tip – Board size varies, averaging at 9.5 but can be from 3 to 100. Some organisations have created a ‘two-tier’ governance structure with a small trustee board and a large ‘advisory’ group. The latter includes the wider interests of stakeholders. Sometimes this group appoints some board members. The board is smaller, containing the skills, experiences and perspectives necessary to govern the organisation.

Exercise – Try the exercise on page 24 to identify the skills, experiences and perspectives needed on your trustee board.

Information and advice

Tip – Put in place a timetable for your board, to cover: when papers are submitted to the secretary/chief executive officer; when they are posted out; meeting dates; and when minutes are circulated. Set up a template for papers and guidance notes on preparing papers.

Skills and experience

Exercise – Conduct a skills audit of the board using the exercise on page 26.

Further reading – Use the National Occupational Standards for Trustees and Management Committee Members (see page 4) to help design your skills audit.

Exercise – Conduct a review of recruitment practices using the exercise on page 27.

Further reading – **Download** the Charity Commission’s guidelines on appointing staff as trustees (*Payment of Charity Trustees* – CCI 1).

Development and support

Prepared earlier – Prepare an induction programme using a checklist like NCVO’s **downloadable** model.

Tip – Consider a board mentoring scheme, pairing a new trustee with an existing one.

Tip – 3-6 months after a new trustee joins, follow up how they are settling in and if there are any areas where they would like support or clarification. Questions include: Has board membership been what you expected? Do you fully understand your role? Which aspects of your role were the most difficult to get to grips with?

Further reading – Use the National Occupational Standards for Trustees and Management Committee Members to plan your induction (see page 4).

The Chief Executive

Further reading – ACEVO have a range of resources for chief executives including *Appraising the Chief Executive* and *Leading the Organisation*. NCVO have also published new resources for trustees on chief executive recruitment.

E – Board review and renewal

Performance appraisal

Exercise – Use the exercise on page 32 to conduct a board self-assessment.

Tip – Identify a set of “key performance indicators” for the board. They could include: number of board vacancies; attendance at meetings and skills gaps identified but not filled.

Renewal and recruitment

Exercise – Try the recruitment planning exercise on page 27.

Prepared earlier – Some of the roles of a governance committee include:

- Review job descriptions and committee terms of reference
- Review recruitment methods
- Promote board vacancies and co-ordinate the recruitment process
- Interview prospective board members
- Design and oversee the trustee induction programme (NCVO have a model terms of reference for **download**)

Tip – Trustee brokerage services match potential trustees with vacancies on boards and can be a good way of bringing in new skills and perspectives. Try your local volunteer centre or one of the agencies in the Governance Hub’s forthcoming trustee recruitment portal.

Further reading – Use the NOS for trustees and management committee members to review your trustee job descriptions and plan a skills audit (see page 4).

Further reading – There is a **downloadable** Local Government Association/NCVO approved code of practice for local authority officers sitting on trustee boards.

Tip – Is there a job description for the chair? Don’t forget to include practical details like the time commitment and expenses.

Review

Exercise – **Tip** – The exercise on page 23 can help the board with their creative thinking about the future of the organisation and its place in the community. Some other ideas:

- design board meetings around strategic issues
- identify some key performance indicators to help the board see quickly where the organisation is heading compared to its plans
- use away days for trustees and staff to explore strategic issues

Further reading – Part of your review of the organisation’s governing document should also consider its legal structure. For more information try *Choosing and Preparing a Governing Document* (Charity Commission) or *Legal Structures for Voluntary Organisations* (NCVO), both **downloadable**.

Further reading – *Tools for Tomorrow* by NCVO compiles a number of tried and tested strategic planning tools. They can be used to look at the environment in which your organisation works and those who have an interest in your work; to look at your vision, mission and values; to compare and decide on different options for the future; or to take plans forward. They include, for example: a “SWOT” (strengths, weaknesses, opportunities and threats) analysis, “PEST” (political, environmental, social and technical) analysis and a Force Field analysis (where you look at the forces working for or against a particular option).

F – Board delegation

Clarity of roles

Prepared earlier – When defining the roles of trustees, you can use a model job description as a starting point. **Downloadable** model job descriptions are available from both NCVO and ICOSA.

Effective delegation

Tip – How are delegations recorded? Some may be one-off – say, to an individual trustee or the chair. These should be minuted accordingly. Some, like the delegation of day to day running to staff, are long term, and should be recorded in job descriptions and procedures. Some organisations have a scheme of delegation from the board to staff. A scheme compiles delegated authority from different sources (staff management, financial authority etc) into one document. All must comply with your governing document.

Terms of reference

Exercise – Use the exercise on page 44 to draw up a terms of reference.

Monitoring

Tip – The “monitoring of delegations” should check that what is being reported back to the board is in line with the agreed terms of the delegation. For example, if a subcommittee is purely advisory, this should be reflected in the way the board deals with its reports. On the other hand, if authority has been delegated to the subcommittee, the board doesn’t need to spend time revisiting in detail the discussions and decisions the committee has made. A confusion may indicate that a committee’s use has become limited.

G – Board and trustee integrity

No personal benefit

Further reading – The Charity Commission have useful regulatory guidance on payments (CC11).

Prepared earlier – A **downloadable** model code of conduct has been produced by NCVO and is designed to be an agreed document covering behaviours, values and working relationships for the board.

Conflicts of interest

Prepared earlier – A sample conflicts of interest policy and register of interests can be **downloaded** from ICOSA.

Exercise – The exercises in section 3 can help trustees gain a greater awareness of their overall duties and the corresponding importance of avoiding conflicts of interest.

Probity

Exercise – The exercises in section 3 should help raise awareness of trustees' duties to act in the best interest of the organisation. A Code of Conduct can also highlight the importance of probity.

H – Board openness

Communication and consultation

Exercise – The exercise on page 22 can be used by the board to review relationships with stakeholders.

Further reading – A more detailed stakeholder analysis can be carried out like the one in NCVO's *Tools for Tomorrow*.

Exercise – in what way do your trustees act as 'ambassadors' for the organisation? Two exercises in section 3 – the role of the board (page 16) and the icebreaker (page 24) – can help your board explore this role further.

Openness and accountability

Tip – How open are your governance arrangements? Do you make documents publicly available on your website? Do you also have a policy about the use of confidential information?

Stakeholder involvement

Exercise – The exercise on page 22 is useful in asking how the voices of your “stakeholders” are heard in decision making: as board members; in a working group or advisory council; as members? Some organisations have adopted a two-tier structure with a small trustee board and larger advisory council as described on page 52.

Section 6 The Code's future

Promoting the Code

The Governance Hub is responsible for promoting the Code of Governance. Along with the distribution of copies, the Hub is also supporting pilot projects and case studies via a “projects partnership”. Organisations will be offered the opportunity to “test” the Code for the Hub and in return will receive support in carrying out a governance review.

The Hub is recruiting “Code Champions” to promote the Code in your region: this may include speaking at events, organising local dissemination of the Code or developing regional media coverage

Stating your compliance with the Code

The Hub will be establishing an online Charter where your organisation can pledge your support for the Code.

On the Governance Hub's website, your organisation will be invited to sign up to the Code, at whatever stage you have reached in your governance development. You may want to state, for example, that:

- your organisation complies with the Code, or
- your organisation is taking steps towards achieving compliance with the Code, or
- your organisation is committed to working towards achieving the Code's principles

The Hub will be promoting the charter through its networks and publicity campaigns in 2006.

The Charter will help the Hub measure the take up of the Code and its impact across the voluntary and community sector.

Inviting feedback on the Code

The Code is an evolutionary document. The next edition will be produced in 2007 and will be revised based on your views and those of other voluntary and community organisations.

The Hub will carefully review feedback from the first edition. They will analyse feedback (including online, written and verbal comments) and undertake a full evaluation (for example, by holding focus groups or carrying out surveys). They will monitor which types and sizes of organisation have used the Code, how they used it and how useful they found it.

A review panel will be established, with membership representative of the voluntary and community sector and key audiences. The panel will be different from the original working group that produced the Code of Governance and *Learning to Fly*.

This toolkit

This toolkit is designed to accompany the Code until its revision in 2007. Following the Code's revision, a more substantial workbook based on training and learning experience will be developed.

Please provide the Hub with your views on this toolkit as well as on the Code itself. Please let the Hub know how you implemented the Code in your organisation: the methods you found useful, the methods you found less useful and hints and tips you can share.

This will ensure that the revised Code and its accompanying toolkit are based on the experiences you have had and the methods you have used.

Contacting the Hub

You can contact the Governance Hub about this toolkit, the Code, the charter or any other governance issue.

Address:

Governance Hub
c/o National Council for Voluntary Organisations (NCVO)
Regent's Wharf
8 All Saints Street
London N1 9RL

Email: governance.hub@ncvo-vol.org.uk

Telephone: 020 7520 2514

Website: www.governancehub.org.uk