**The Code of Good Governance**

**Governance Health Check**

Graphical user interface

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9 June 2022

**Preface**

Running any organisation in today’s world can be difficult, and particularly so for organisations in the voluntary and community sector. Such organisations provide much needed services and support and work under the close scrutiny of their supporters, funders, regulators and the wider public. They are held to a very high standard – at a minimum, they are expected to be successful, ethical and legally compliant.

However, while expectations of the voluntary and community sector are high, in return they receive a great deal of the public’s trust, confidence and support. It is to them the public looks when they are in greatest need. Unfortunately, the public’s trust and confidence are very easy to lose and, once gone, can be almost impossible to gain back.

That is why tools, such as this revised governance health check, are so important. This step-by-step assessment provides a practical and evidence-based way to encourage and facilitate better governance and accountability on an ongoing basis. Not only will this assist your organisation in adhering to the key principles of the Code of Good Governance, but it will also support you in demonstrating that adherence and identifying areas where you may wish to make changes or improve. There is a strength in organisations which look after their own internal health to ensure they are the best they can be.

At the Commission, we too are always striving to review and improve with ongoing assessments and learning at the core of our own Board oversight. Through this process, we aim to continue growing as an enabling and supportive regulator, working with groups and organisations such as the Developing Governance Group to deliver information and advice. Together with my fellow Commissioners, I welcome the publication of this revised good governance health check and I strongly encourage management committees and Boards to make the most of the help and guidance it provides.

**Nicole Lappin**

**Chief Charity Commissioner**

**Charity Commission for Northern Ireland**

**Good Governance – A Health Check**

**Introduction**

The Code of Good Governance sets out five principles and practices of good governance for voluntary and community organisations. The 3rd Edition of the Code was launched in November 2021 by the Developing Governance Group following consultation with the voluntary and community sector. While it is not mandatory, it has been widely accepted as the set of standards for governance practice in the sector.

This Governance Health Check is a self-assessment tool which has also been devised by the Developing Governance Group as a practical resource to assist committees / boards to work towards adhering to the principles of the Code. It should help committees / boards of any size to demonstrate good governance practices to their stakeholders, beneficiaries and funders alike. This latest edition has been revised in line with the 3rd Edition of the Code of Good Governance.

**Using the Governance Health Check**

Throughout the Health Check the questions refer to the ‘board’, this is intended to mean the committee, management or executive committee, board of directors or trustees or any other name given to the governing body of the organisation.

Although it should not be overly burdensome, it is strongly recommended that an appropriate amount of time is set aside for the board to use this tool. For example, a whole meeting could be dedicated to completing the questionnaire. It would also be beneficial to appoint at least one board member to lead the process of ensuring that actions are carried forward including organising any training identified.

When the Health Check is being filled out, board members should be mindful that it is an internal document for their organisation and should not feel inhibited about answering the questions honestly. The aim of the questionnaire is to help boards to review their governance arrangements, check that they have appropriate systems in place for both the legal requirements and development of best practice and identifying areas where they could improve. The Health Check is a best practice tool - it is not mandatory.

It uses a scale as a self-assessment tool. When you are completing it, it is important to consider what evidence you have to help you determine where you are on the scale as outlined below:

* **Fully Met**: You are confident that the procedure is actively in place and you have the evidence to support it
* **Part Met**: You partly carry out the practice or the practice needs adapting or improving and you have some evidence to support it
* **Not Met:** You do not carry out the practice and you have little or no evidence

You can then list the practices in the column entitled ‘our evidence’. A list of examples under the ‘suggested evidence’ section has been included to be used as a prompt. Please note that this is not an exhaustive list as it is recognised that different organisations, depending on their activities and beneficiaries, will be subject to various regulations and will therefore need to provide additional evidence to certain questions. You may find that a small number of questions are not relevant to your organisation, for example, if you have no employees then the questions which relate to employment will be applicable. For these you can simply write ‘not application or n/a’ in the evidence box and explain why.

Once areas requiring improvement have been identified, the ‘actions’ box at the end of the questions under each principle should be filled out. Additional guidance and a range of practical resources are linked into each of the five governance principles, available to download from [www.diycommitteeguide.org](http://www.diycommitteeguide.org) which will assist the board to implement the identified actions.

The Developing Governance Group encourages organisations that use the Code and the Governance Health Check to state this in their annual report and explain what improvements have been made as a result.

The Code of Good Governance is also available in hard copy. If your board members would like to have their own pocket-sized version, then please contact NICVA or Volunteer Now to arrange collection.

**The Code of Good Governance (revised 2021) summary**

* Understanding its function in delivering organisational purpose.
* Working as an effective team.
* Maintaining control, making effective decisions and managing risk.
* Acting with integrity.
* Being open and accountable.

**Good Governance – A Health Check**

**Principle 1: Understanding its function in delivering organisational purpose**

The members of the board are equally responsible in law for governance. They are collectively responsible for ensuring that the organisation remains faithful to its purpose.

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| **Delivering organisational purpose** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Are the activities of the organisation in line with the objects / purposes / geographical area in your governing document? |  |  |  |  | Up to date governing document  Review services offered  Public Benefit statement  Operational plan |
| Have you reviewed your governing document in the last three years? |  |  |  |  | Minutes of board meetings  Minutes of general meetings  Special resolutions  Date of adoption on document |
| Have you reviewed your organisation’s policies as appropriate and as required? |  |  |  |  | Policy log with policy review dates |
| Have you complied with all the governance arrangements in your governing document? |  |  |  |  | Appointment of directors  Number of directors  Who can be members  Quorum for meetings  Number of meetings  Notice period for meetings  Permissions for electronic meetings |

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| **Delivering organisational purpose** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Are the board members aware of the mission, vision and values of the organisation? |  |  |  |  | Mission statement  Vision and values statement  Objects / purposes relevant and valid |
| Is the role of your board clearly defined? |  |  |  |  | Written role descriptions  Induction pack |
| Do board members understand their legal responsibilities in relation to their role? |  |  |  |  | Duties in Charity and Trust law  Duties in Company law  Charity Commission trustee declaration |
| Do you have access to the governing document and all the relevant policies of the organisation? |  |  |  |  | Induction pack  Governance section on an online platform / cloud storage |
| If charitable, have you checked your charity registration status with the Charity Commission? |  |  |  |  | Charity Register on CCNI website  Combined list (waiting list) on CCNI website |

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| **Delivering organisational purpose** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| If you are a sports organisation, are you registered as a Charity or a Community Amateur Sports Club (CASC)? |  |  |  |  | HMRC CASC list  Charity Register or Combined list on CCNI website |
| If you have premises and other assets, are they used and maintained effectively? |  |  |  |  | Maintenance log  Fire safety procedures  Security procedures  Planning for renewal  Monitoring usage eg schedule of income analysis  Asset register  Insurance  Leases  Tenancy agreements  Franchise contracts |
| If your organisation has investments, are they properly and prudently managed? |  |  |  |  | Investment policy  Professional advice obtained |
| Are the organisational structures appropriate for your organisation? |  |  |  |  | Incorporation if relevant  Appropriate level of managers |

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| **Delivering organisational purpose** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Are your board members aware of the organisation’s operating environment? |  |  |  |  | Awareness of need  NISRA indices  Relevant government policies  Community audit |
| Does your organisation have a written plan for what it wants to achieve including strategies for sustainability? |  |  |  |  | Strategic plan  Business plans  Fundraising strategy  Diversified income streams identified  Impact statement |
| Are there procedures in place to help your board regularly monitor progress and evaluate the effectiveness of the organisation’s work? |  |  |  |  | Ongoing monitoring and evaluation |
| Is your board clear about who the beneficiaries and stakeholders are? |  |  |  |  | Records of service users  Participants  Register of Members  Funders  Statutory bodies  Governing document |
| Does your board understand the difference between its role and that of staff? |  |  |  |  | Scheme of delegation  Role descriptions  Job descriptions |

**Actions required to adhere to Principle 1**

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| **Required Actions** | **By whom** | **By When** |
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| **Go to Principle 1: Understanding its function in delivering organisational purpose on** [**www.diycommitteeguide.org**](http://www.diycommitteeguide.org/code/principle/leadership) **for templates and other resources to help you implement your actions.** | | |

**Principle 2 - Working as an effective team**

The board will ensure that it has an effective balance of knowledge, skills, attitudes and behaviours to deliver organisational purpose.

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| **Working as an effective team** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Are your board meetings and sub-committee meetings effective and properly run? |  |  |  |  | Appropriate agenda  Quorums met  Minutes including records of decisions made  Regular reports and other info  Held regularly  Regular full attendance  Permissions for online meetings |
| Have you asked your board members what accessibility needs they may have in order to prepare board papers in an accessible format? |  |  |  |  | Large font  Braille  Colour coded papers  Printed vs electronic  Plain English |
| Has your board got clear role descriptions for board members? |  |  |  |  | Role descriptions for the Chair,  Secretary and Treasurer and for  board members |
| Has your board received appropriate information and guidance in relation to governance? |  |  |  |  | Induction pack / materials  Governance training / events /  seminars / conferences  Regular policy updates  Mentoring |
| **Working as an effective team** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Do you provide or communicate opportunities for training and development to help your board members carry out their roles? |  |  |  |  | Training such as: Governance; Safeguarding; Treasurer, Chairperson and Secretary roles; Risk management;  Cyber security; Finance;  Data protection |
| Does your board review its own performance on an annual basis? |  |  |  |  | Board members survey  Board appraisal  Review days or sessions  Governance Health Check |
| Does your board work to attract new members in accordance with its governing document? |  |  |  |  | Rotation of board  Terms of office  Board members replaced when term of office expires  Process for admitting new members  Identify skills gaps  Advertise skills gaps  Recruitment policy  Board induction  Plan for committee renewal |
| Have you got adequate skills, or reasonable access to skills, and experience on your board? |  |  |  |  | Skills audit  Evidence of advice obtained  Possibly amend governing document if it’s unduly restrictive |

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| **Working as an effective team** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Does your board provide suitable induction for new board members? |  |  |  |  | Induction pack  Mentoring  Meeting with chair  Walk around premises  Meeting staff  Attending organisation activities |
| Does your board access external advice when necessary? |  |  |  |  | Umbrella bodies  Sector support organisations  Regulators  LRA, Equality Commission  Professional advice |
| What does your board do to develop a positive working relationship within the board and with volunteers and staff? |  |  |  |  | Pen profiles of Trustees in induction pack  Staff invited to present at meetings  Attend organisation events  Engage at fundraising events  Refreshment breaks |
| Are your board meetings accessible to all board members to enable them to participate fully? |  |  |  |  | Code of conduct  If online, access to technology  Venue fully accessible  Layout and comfort of room  Online and in person participants should be able to engage equally |

**Actions required to adhere to Principle 2**

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| **Required Actions** | **By whom** | **By When** |
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| **Go to Principle 2: Working as an effective team on** [**www.diycommitteeguide.org/**](http://www.diycommitteeguide.org/code/principle/leadership) **for templates and other resources to help you implement your actions.** | | |

**Principle 3 - Maintaining control, making effective decisions and managing risk**

The board has ultimate responsibility for setting the vision and strategy and overseeing the activities of the organisation. While the board may delegate some of its functions to paid staff, boards must regularly review internal controls, risks, performance, policies and procedures.

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| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** | |
| Does your organisation have an annual work plan? |  |  |  |  | Operational plan  Work plans  Service level agreements | |
| Does your board approve the annual budget for the organisation before the financial year begins? |  |  |  |  | Board minutes  Annual budget for financial year  Project budgets included | |
| How does your organisation evaluate results and assess the impact of its activities? |  |  |  |  | Feedback from users/participants  Register of users/attendees  Monitoring returns to funder  Reporting to the board  Impact reporting / outcome report  Appropriate monitoring system  Organisation plans  Action plans  Staff and/or volunteer reports  Satisfaction surveys  Consultation with stakeholders  Reviewed, updated policies  Minutes of meetings  Annual report | |
| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** | |
| If your charity has a trading subsidiary, is it being run at arm’s length from the organisation? |  |  |  |  | Loan agreements  Memorandum of understanding / Resource sharing agreement  Invoicing for services / shared resources  Separate board meetings / AGM  Reporting to the parent charity  Governing document reflects parent body control | |
| Do you have formal agreements in place for external contractors and / or third parties? |  |  |  |  | Terms of reference  Letter of agreement  Memorandum of understanding | |
| Do you adhere to the legal and compliance obligations of the organisation? |  |  |  |  | Letters of offer / contracts  Insurance  Contracts of employment  Leasing agreements  Equal Opportunities policy  Safeguarding policies  Access NI checks  Electoral law  List of relevant legislation | |
| Does your organisation adhere to Charity or CASC administration and reporting requirements? |  |  |  |  | Annual returns  File accounts and reports  Update charity register  Stationery requirements | |
| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | | **Suggested Evidence**  **(examples only)** |
| If incorporated, does your organisation adhere to company law administration and reporting requirements? |  |  |  |  | | Confirmation statement  File accounts and reports  Update company register  AGM  Disclosure of company information on stationery, emails and websites |
| If registered as a Community Interest Company (CIC), do you comply with CIC regulatory requirements? |  |  |  |  | | Update CIC regulator  Update company register |
| Have you updated the charity register and / or company register with details of new / retiring board members? |  |  |  |  | | Charity Register on CCNI website  Companies house register |
| Are registers of voting members and board members kept up to date? |  |  |  |  | | Register of Members  Register of Directors  Register of Directors residential addresses.  List of board members with appointment dates, due retirement dates |

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| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Do you ensure compliance with health and safety legislation and fulfil your duty of care obligation to employees, volunteers, service users and the general public? |  |  |  |  | Health and Safety policy, notices  Fire and Health and Safety risk assessments  Fire alarms, extinguishers, lighting  Accident book  Insurance policies  First Aid  Policies and procedures in line with legislation and good practice  PAT testing, manual handling, COSHH |
| Do you understand data protection legislation and can your organisation demonstrate compliance with the data protection principles? |  |  |  |  | Personal data register  Data protection policy  Data sharing agreements (where appropriate)  Privacy notice  Data Protection Officer if required  Record consent, where required  ICO registration  Staff / volunteer training  Breach reporting procedures  Process for responding to subject access requests  Record retention policy |

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| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Are you looking after the data that you hold? |  |  |  |  | Information register  Acceptable use of ICT systems policy  Records management policies  Monitoring and evaluation of records security  Staff have separate email accounts  Understanding who is responsible for creating and updating records  Cybersecurity risk register |
| Do you adhere to fundraising and gambling legislation as well as good practice considerations when raising money? |  |  |  |  | Rules for street collections  Rules for door-to-door collections  Code of Fundraising Practice  CCNI fundraising guidance  Cash handling procedures for fundraising activities  Rules for lotteries  Society lottery registered with Council  Gambling Code of Practice (lotteries) |
| Have you stipulated what your fundraising is for? |  |  |  |  | Code of Fundraising Practice  Charity Commission guidance |
| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Are you engaged in fundraising activities that could be considered as trading? |  |  |  |  | Take account of guidance on charity trading such as HMRC guidance or CC35 guidance |
| Do you have procedures in place for fundraising being carried out on your behalf? How do you monitor this? |  |  |  |  | Fundraising policy / strategy  Risk assessment  Insurance policy  Cash handling procedures  Fundraising contract / agreement |
| Have you got appropriate financial systems in place? |  |  |  |  | Financial procedures policy  Reserves policy  Procurement procedures  Budgets  Cash book / Cheque journal  Ledger / computerised accounts  Cash flow forecast  Purchase order book  Petty cash  Segregation of duties  Required cheque signatories  Online banking dual authorisation  Bank reconciliations  Cash handling procedures  Credit control  Debt management |

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| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Is your organisation complying with tax law? |  |  |  |  | Registered with HMRC as an employer, PAYE  National Insurance Contributions  Registered for VAT if required |
| If using freelancers, consultants or casual labour, have you checked that they would not be regarded as employees? |  |  |  |  | HMRC checklist and tool |
| Is financial reporting to your board clear, transparent, readily understood by all board members at each meeting? |  |  |  |  | Agenda of meetings  Treasurer input  Management accounts  Income and Expenditure sheet  Reporting on variances in the budget  Adequate guidance / mentoring  Scrutiny by all board members |
| Does your board receive the right financial information and projections to be able to make appropriate financial decisions for your organisation? |  |  |  |  | Appropriate financial reporting  Reserves  Appropriate resources  Funding diversification  Annual budget  Cashflow projections  Reporting against projections  Budget reporting  Management accounts |
| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Are your annual accounts externally examined by an independent person? |  |  |  |  | Full audit  Independent examination |
| Are your accounts prepared according to the relevant legislation? |  |  |  |  | Comply with relevant thresholds  Receipts & Payments or Accruals  Charities SORP (SOFA)  Trustees’/directors’ annual report |
| Does the board consider and manage risks (uncertainties, threats), both short-term and long-term, in all aspects of the organisation’s work? |  |  |  |  | Risk policy  Risk assessments carried out  Risk register in place Consideration of:   * Governance risks * Operational risks * Financial risks * External risks * Compliance risks * Reputational risks   Training  Minutes of meetings |
| Have you clear plans in place for when something goes wrong? |  |  |  |  | Communications policy  Contingency plans  Emergency procedures  Business continuity plan  Serious incident report to CCNI |
| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Do you review your approach to cybersecurity and ensure that your systems are robust and protected? |  |  |  |  | Strong password policy  Backup hard drives  Encrypting sensitive information and personal data  Internet firewall  Spam filter for email  Secure mobile devices  Keep equipment and software up to date  Understanding threats such as viruses, malware and phishing  Cybersecurity risk register  Secure remote access to systems  Hybrid working procedures |
| Does the board set out and communicate the functions of sub-committees, officers, staff and anyone performing duties on its behalf? |  |  |  |  | Organisation chart  Terms of reference  Role descriptions  Job descriptions  Minutes  Policies and reporting processes  Induction  Governance manual  Training  Scheme of delegation |

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| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Does the board regularly monitor and review the effectiveness and make-up of sub-committees? |  |  |  |  | Minutes of meetings and sub-committee meetings  Reports  Evidence of decisions taken in line within agreed parameters  Terms of reference  Review membership of sub-committee  Skills analysis of board / sub-committees |
| Do you meet the legal requirements in relation to the recruitment of staff? |  |  |  |  | Terms and conditions  Contract of employment  Right to work in the UK  Equal opportunity  Recruitment and selection training |
| If you have employees, have you proper payroll / pension arrangements in place? |  |  |  |  | Regular consistent payroll  PAYE  Sick pay, maternity / paternity pay |

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| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Do you meet the legal requirements in relation to the management of staff? |  |  |  |  | Grievance / disciplinary policies  Dismissal and redundancy  Remuneration  Leave entitlements (holiday, sick)  Access NI checks if relevant  Safeguarding legislation  Pension provision  Policy on Maternity, paternity, parental / carer’s rights  Policy showing compliance with working hours and breaks  Equality monitoring |
| Have you got appropriate staff management systems in place? |  |  |  |  | Up to date staff contracts  Clear roles  Job descriptions and accountability  Regular supervision of all staff including most senior staff  Training and development  Appropriate HR policies including but not limited to:  Bullying and harassment policy  Dignity at work policy  Whistleblowing policy  Flexible working policy  Diversity and inclusion policy  Trade union recognition |

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| **Maintaining control, making effective decisions and managing risk** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Does the board have clear procedures / guidelines to distinguish between staff and volunteer responsibility? |  |  |  |  | HR policies  Volunteer policies  Organisation chart  Role descriptions  Job descriptions |
| Have you got appropriate systems in place for recruitment and management of volunteers? |  |  |  |  | Volunteer policy  Induction  Role descriptions  Agreements  Volunteer expenses policy  Training  Support and supervision |

**Actions required to adhere to Principle 3**

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| **Required Actions** | **By whom** | **By When** |
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| **Go to Principle 3: Maintaining control, making effective decisions and managing risk** [**www.diycommitteeguide.org/**](http://www.diycommitteeguide.org/code/principle/leadership) **for templates and other resources to help you implement your actions.** | | |

**Principle 4 - Acting with integrity**

The board should act at all times with honesty and probity in the interests of the organisation and its beneficiaries and members. The board ensures that the organisation’s performance and interaction with its stakeholders are guided by the values, ethics and culture put in place by the board.

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| **Acting with integrity** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Do you have procedures in place to deal with gifts and hospitality? |  |  |  |  | Policy on gifts and hospitality  Guidelines |
| Does your board uphold the values of the organisation? |  |  |  |  | Mission, vision, values statement  Appropriate policies  Code of ethics |
| Has your board discussed the ethics of receiving sponsorship or  funding? |  |  |  |  | Mission, vision, values  Charitable purposes  HMRC guidance |
| Does your board have a policy on payments to its members which is in line with the governing document? |  |  |  |  | Is this permitted by the governing document?  Policy on payments  Conflicts of interest register  Out of pocket expenses policy |
| Do you have procedures in place to deal with conflicts of interest including conflicts of loyalty? |  |  |  |  | Conflicts of interest policy  Conflicts of interest register  Standing item on agenda  Governing document  Minutes  Connected persons definition |
| **Acting with integrity** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Does the board, at least annually, consider its independence from government, funders or other stakeholders? |  |  |  |  | Mission, vision and values  Conflict of interest policy  Building Change Trust’s independence stocktake  Register of interests  Research  Annual review |
| Does your board have a policy to deal with internal conflicts within your board? |  |  |  |  | Code of conduct for the board  Clear role boundaries  Governing document  Whistleblowing policy  Legislation  Reminder at meetings  Governance manual |
| Does your organisation know the diversity make up of its beneficiaries / service users / members and the community which it serves? |  |  |  |  | Equality, Diversity and Inclusion (EDI) audit  Section 75 monitoring  Equality monitoring form |
| Have you considered if there are other potential beneficiaries within the community that you do not currently attract to your activities / services? |  |  |  |  | Community maps  Collaboration with other groups  Awareness of publicly available data eg NISRA data on local area |

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| **Acting with integrity** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| How does your organisation work to promote equality, diversity, inclusion and good relations throughout the organisation? |  |  |  |  | Equal Opportunity / EDI policy  EDI Training  User / members’ forum  Consultation with members |
| Does your board work to promote equality, diversity and inclusion when recruiting new board members? |  |  |  |  | Targeted inclusion  EDI audit in line with strategy review  EDI policy and training |
| How does your organisation encourage inclusive and accessible participation of beneficiaries and members? |  |  |  |  | Promotion of activities  Collaboration  Accessibility needs met  Understanding your local / beneficiary population |
| Does the board ensure that the organisation complies with its safeguarding responsibilities? |  |  |  |  | Review safeguarding policy  Training for staff and volunteers  Access NI checks if relevant  Communicate policy effectively |
| Does the board ensure that the organisation provides a safe and respectful culture for all? |  |  |  |  | Bullying and harassment policy  Whistleblowing policy  Dignity at work policy  Code of conduct  Staff satisfaction survey  Regular supervision for staff / volunteers  Engagement processes with staff at all levels  EDI policy and training |

**Actions required to adhere to Principle 4**

|  |  |  |
| --- | --- | --- |
| **Required Actions** | **By whom** | **By When** |
|  |  |  |
| **Go to Principle 4: Acting with integrity** [**www.diycommitteeguide.org**](http://www.diycommitteeguide.org/code/principle/leadership) **for templates and other resources to help you implement your actions.** | | |

**Principle 5 - Being open and accountable**

The board leads the organisation by being open and transparent, accountable and responsive.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Being open and accountable** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Do you listen, respond and represent the views of your beneficiaries / users? |  |  |  |  | Engagement with beneficiaries  Consultations  Involvement of beneficiaries when trying to influence others  Specific contact email / number  Service / project evaluations |
| Does the board ensure that there is regular and effective consultation with key stakeholders? |  |  |  |  | Consultations  Regular meetings  AGM  Member / user feedback  Monitoring and evaluation reports  User forums |
| Does the board ensure that there is regular and effective communication with key stakeholders? |  |  |  |  | Information provided is timely, relevant, accurate and good quality  AGM / Annual report  Newsletter/ website / social media  Member / user participation  Regular meetings  Community audit |
| **Being open and accountable** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Is your board accountable to key stakeholders about its’ own work and the governance of the organisation? |  |  |  |  | AGM and Annual report  Regular meetings  Partnership agreements  Reports to funders  Annual reporting to regulators  Accessible list of board members  External audit / evaluation  Complaints and compliments policy  Donor management procedures |
| Does your board consider the environmental impact of the organisation’s work? |  |  |  |  | Green / environmental policy eg recycling / waste  Environmental impact assessment  Environment Social Goals (ESGs) model  Carbon neutral policy |
| Does your board consider organisational responsibilities to the wider community and society? |  |  |  |  | Community / Societal audit  Consultation with community  Strategic planning  Minutes  Buy social / Social Value Scheme |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Being open and accountable** | **Not**  **Met** | **Part**  **Met** | **Fully**  **Met** | **Our evidence –**  **Please describe below** | **Suggested Evidence**  **(examples only)** |
| Do you have appropriate procedures to deal with complaints? |  |  |  |  | Complaints policy and procedures  Whistleblowing policy  Feedback forms |
| Do you follow the requirements of admitting and managing membership? |  |  |  |  | Governing document  Membership policy  Register of members |
| Have you got a written up to date list of the voting members of your organisation? |  |  |  |  | Register of members |
| If charitable, does your organisation fulfil the public benefit requirement? |  |  |  |  | Public benefit statement  Public benefit reporting |
| Does your organisation assess the impact of its work in line with its organisational purposes? |  |  |  |  | Impact reporting  Needs assessment |
| Does your organisation consider the indirect positive and negative impact of its work? |  |  |  |  | Community / Societal Impact Assessment  Board meetings |

**Actions required to adhere to Principle 5**

|  |  |  |
| --- | --- | --- |
| **Required Actions** | **By whom** | **By When** |
|  |  |  |
| **Go to Principle 5: Being open and accountable on** [**www.diycommitteeguide.org/**](http://www.diycommitteeguide.org/code/principle/leadership) **for templates and other resources to help you implement your actions.** | | |

**Glossary of Terms**

**Accountability** is the duty to explain the ways in which an individual or group has carried out, or caused to be carried out, the obligations placed upon them by law, a governing body or constitutional document. While the discharge of these activities/obligations may be delegated to others, the obligation to account for the actions cannot be delegated.

**Appraisal** is a formal assessment of performance over a set time frame.

**Assets** are everything your organisation owns that are of value, including buildings, equipment, money, trademarks and intelligence. Can also include intangible items such as reputation, skills and experience.

**Autonomous** is a self-governing, independent body which is free from external control and constraint.

**Beneficiaries** are the people your organisation is set up to help, those who benefit from what you do.

**Board** is a group of elected or appointed people who are ultimately accountable and collectively responsible for the governance and strategic direction of an organisation. Sometimes known as the Management Committee in smaller organisations.

**Community audit** is a survey of the needs of the local community.

**Compliance** is the act of taking steps to comply with relevant laws, policies, and regulations.

**Conflicts of interest** may arise in a situation where a board member may obtain personal benefit from a particular decision in relation to the organisation, or when a personal interest may get in the way of making decisions in the best interests of the organisation.

**Culture** is the ideas, customs, and social behaviour of a particular people, society, or organisation.

**Cyber Security** is the protection measures put in place to keep IT systems safe and secure.

**Delegate** is to give another person the authority to do work and / or take decisions on your behalf.

**Delegated authority** is the decision making power which has been given to a sub-committee or person so that they can carry out a particular task or activity. The board, however, remain accountable for the outcome of the delegated work.

**Digital** refers to the use of technology to store, use and communicate information electronically.

**Diversity** can encompass many characteristics such as: age, gender, race, ethnicity, religion, marital status, sexual orientation, economic, cultural and social background, level of educational attainment and professional background. Recognising diversity in governance is about respecting and valuing people’s differences and enabling them to contribute and realise their full potential within an inclusive culture.

**Effectiveness** is being able to bring about the intended or expected result.

**Encryption** is the protection of data that is either stored or transmitted to render it unreadable without a security key so that only authorised persons can view it.

**Equality** is about ensuring that every individual has an equal opportunity to make the most of their lives and talents; it also means that we ensure that nobody is treated less favourably than other people or being harassed on any of the prohibited equality grounds.

**Equity** is the absence of unfair, avoidable or remediable differences among groups of people, whether those groups are defined socially, economically, demographically, or geographically or by other dimensions of inequality (eg sex, gender, ethnicity, disability, or sexual orientation).

**Ethics** are standards of morality and conduct of either an individual or organisation.

**Firewall** is a digital barrier or filter between a trusted IT system or network and outside electronic connections such as the internet.

**Good relations** is to promote the growth of relations between people that acknowledge the religious, political and racial context in NI, and seek to promote respect, equity and trust, and embrace diversity in all its forms.

**Governance** is about leadership and ensuring that an organisation is effectively and properly run.  It has been deﬁned as “the systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation.”

**Governing document** is the written set of rules governing an organisation eg a constitution, trust deed or articles of association.

**ICO** is the Information Commissioner’s Office which is the data protection regulator.

**ICT** (information and communication technologies) refers to technologies that provide access to information through telecommunications, similar to IT (information technology) but with the focus primarily on communication technologies.

**Integrity**is used to describe soundness of moral character; this is demonstrated through adherence to moral and ethical principles.

**Monitoring** is collecting and recording information in a routine and systematic way to check progress against plans and enable evaluation.

**Not-for-proﬁt** organisations may be better described as not-for-personal-proﬁt as these organisations may make a surplus in line with their Objects but they don’t distribute this among the members but rather use it to further the purposes of the organisation.

**Objects** this clause (sometimes called purposes) which expresses the aims of the organisation is laid out in the governing document. It also describes who is going to benefit from the work of the organisation and in which geographical area.

**Probity** is the quality of having strong moral principles, honesty and decency.

**Procurement** is the process of buying/acquiring goods or services.

**Prudence** is exercising care, caution, and good judgement as well as wisdom in looking ahead.

**Public Benefit** is one of the key components of what makes a purpose charitable. A benefit must flow from the charity’s purpose; be capable of being demonstrated and be beneficial, not harmful to the public, or to a section of the public and it must not provide a private benefit to individuals unless the benefit is incidental.

**Purposes** it is the statement of what your organisation has been set up to achieve, set out in the governing document. It should reflect the organisation’s broad aims, rather than the day-to-day activities. Also known as objects, objectives or aims.

**Quorum** is the minimum number of voting members that must be present in order to proceed with a meeting. Quorums for general meetings and committee meetings are usually stated in the governing document.

**Risk management** is the analysis and management of risk. It involves the identification and assessment of risk, the decision whether to accept, guard against, prevent or insure against the occurrence and the process of implementing such decisions.

**Safe culture** means that anyone who interacts with the organisation should be treated with dignity and fairness and feel that they are in a safe and supportive environment which promotes and respects the rights of all.

**Safeguarding** means ensuring there are measures in place to prevent harm to staff, volunteers, beneficiaries and anyone who comes into contact with your organisation. It also means responding appropriately where harm has occurred to an individual. While safeguarding is everyone’s responsibility, trustees need to provide leadership on culture, policy and procedures which promote and respect the rights of children and adults.

**Solvent** means having enough money to pay all the debts owed to other people or organisations.

**Stakeholder** is anyone with a significant interest in the effectiveness of an organisation eg members, trustees, beneficiaries, staff, volunteers, funders, suppliers, regulators.

**Subject access request** is the term under data protection regulations which gives a person the right to access the personal data that an organisation holds on them.

**Values** are the principles and beliefs which the organisation seeks to apply, both in setting its mission and aims, and in its day-to-day operations.

**Vision** is what the world will look like if the organisation is successful in achieving its mission.

**Voluntary and community sector** is made up of organisations which are governed by voluntary boards. These non-statutory, autonomous, not-for-proﬁt organisations are usually constituted formally and may or may not be charitable.  They include sports, religious, societies and social enterprises, as well as any organisation registered as a Charity, Community Amateur Sports Club, (CASC) or Community Interest Company (CIC).

**Volunteering** is deﬁned as the commitment of time and energy, for the beneﬁt of society and the community, the environment, or individuals outside (or in addition to) one’s immediate family. It is undertaken freely and by choice, without concern for ﬁnancial gain.

**Online Governance Resource** - [www.diycommitteeguide.org](http://www.diycommitteeguide.org)

* a useful resource of practical help and support mapped to the principles of the Code of Good Governance.
* a signposting directory which includes links to all Developing Governance Group members including the training and support they offer.

**Pocket sized Codes of Good Governance**

Copies of the revised Code of Good Governance booklets can be collected from any of the Developing Governance Group

members or by contacting the Secretariat which is provided by NICVA on 028 9087 7777 or Volunteer Now on 028 9023 2020

**The Developing Governance Group**

The Developing Governance Group is made up of the following sector support organisations:

Age NI, Arts & Business NI, Community Arts Partnership, Early Years – the organisation for young children, NICVA,

NI Sports Forum, Rural Community Network, Sport NI, Supporting Communities and Volunteer Now.

Many of the member organisations of the Developing Governance Group will be able to provide practical assistance with

subscribing to the Code through their governance work. NICVA and Volunteer Now jointly provide secretariat to the Developing

Governance Group.

**Disclaimer**

Reasonable precautions have been taken to ensure information in this publication is accurate. However, it is not intended to be a definitive guide to assessing your governance structures and practices; it is designed to provide guidance in good faith without accepting liability. The onus is on each committee/board to take forward actions identified. If relevant, we recommend you take appropriate professional advice or guidance before taking any action on the matters covered herein.