The Code of Good Governance in a virtual world

Denise Hayward, Volunteer Now

Claire O’Hare, Youth Work Alliance

Denise Copeland, NICVA
Developing Governance Group

Age NI, Arts & Business NI, Early Years, NICVA, NI Sports Forum, Rural Community Network, Sport NI, Supporting Communities, Youth Work Alliance and Volunteer Now
What is the Code?

• Code sets out the principles and key elements of good governance in an organisation as a whole
• Closely linked to regulatory responsibilities
• Set of standards for governance practice, it is not mandatory
• Endorsed by the Charity Commission
Who is the Code for?

- Voluntary organisations
- Community groups
- Charities
- Not for profit organisations
- Community amateur sports clubs (CASCs)
- Social enterprises
- Trading subsidiaries
- Community Interest Companies (CICs)
churches  older people  young people  
early years  sport  the arts  environmental  
historical  overseas development  disability  health  
advice  rural  animal welfare  education  
community development  recreational  women  
community relations  regeneration  poverty
Assessing your governance, why should you bother?

• Protection for individual members and for the board as a whole
• Identify gaps and address/mitigate against risk
• Verification of the relevance and robustness of current systems and processes
• Protection of services
• Opportunity to increase stakeholder confidence
• Comply with charity and other regulation
Resources to support the Code

• [www.diycommitteeguide.org](http://www.diycommitteeguide.org)

• Governance health check
Code of Good Governance

5 Key Principles

An effective board will provide good governance and leadership by:

1. Understanding its role and responsibilities
2. Working well both as individuals and as a team
3. Ensuring delivery of organisational purpose
4. Exercising appropriate control
5. Behaving with integrity and by being open and accountable
Principle 1
An effective board will provide good governance and leadership by understanding its role and responsibilities

The members of the board are equally responsible in law for committee actions and decisions.

They are collectively responsible and accountable for ensuring that the organisation is performing well, is solvent and
complies with all its obligations in terms of:

- Vision, values and reputation
- Governing document
- Legal duties
- Stewardship of assets
- Operating environment
- Organisational structure
- Overseeing the work of the organisation
Operating environment

- Fast changing environment
- Uncertainty - difficult to plan
- Compliance with governing document
- Ability to be responsive
- Physical, financial and human resources
- Difficulty getting/maintaining volunteers
Guidance on the coronavirus restrictions and public health advice in NI

The guidance produced by the Northern Ireland Executive, sets out an overview of the current coronavirus restrictions.

The restrictions imposed by government have affected every part of peoples lives and they are complex and are ever changing. The most recent changes were confirmed on 14 October 2020. The full guidance can be found on the Ni Direct website and in the attached PDF produced by the Department of Health. A summary table of restrictions can be accessed on the Ni Direct Website and is also attached.

The full guidance amongst other topics covers:

- Share your COVID-19 support service
- Find more coronavirus information from NICVA
- Sign up for COVID-19 email updates

Organisations that are due to hold an AGM in the autumn will be glad to hear that new temporary rules have come into force which allow companies, registered societies and credit unions to hold general meetings online.

At the end of June The Corporate Insolvency and Governance Act 2020 brought in special temporary rules to allow companies and mutuals to hold their AGMs and/or special general meetings online until the end of September, even if their governing documents prohibited it. This temporary measure has now been extended to the end of December (for mutuals, the new regulations are subject to Assembly approval).

Considering the current situation with the COVID pandemic and the uncertainty around when we can meet in large gatherings again safely, it may be advisable for organisations to use this extension period to hold a special general meeting to update their governing documents to allow general meetings to take place electronically.

Share your COVID-19 support service
Organisations providing support to people and communities during the COVID-19 emergency can share their service information here

> Share your support

Find more coronavirus information from NICVA

Covid-19 Hub

Sign up for COVID-19 email alerts
**Principle 2**

An effective board will provide good governance and leadership by **working well both as individuals and as a team**

The board will have a range of appropriate policies and procedures, knowledge, attitudes and behaviours to enable both individuals and the board to **work effectively**.
The board will plan for its own development and renewal by:

• Finding and recruiting new board members
• Providing suitable induction for new board members
• Providing opportunities for training and development for all board members
• Periodically reviewing their performance both as individuals and as a team
Building relationships online

- Virtual coffee before meetings
- Helping ‘non techie’ trustees with technology – muting, chat function
- Agreeing online etiquette – induction and review
- Chair needs to be clear and firm
- Promote your trustee vacancies online
If you missed our webinar on 'Effective trustee meetings online' you can watch it now via the link below.

Trustee meetings don’t have to be postponed during the current COVID-19 lock down, they can still go ahead online if everyone has the technology to participate. This webinar should be of particular interest to those new to holding their trustee meetings online.

This recording covers tips to help you make sure your trustee meetings are effective and includes:
- Getting to grips with online meetings
- Setting an effective agenda
- Meeting roles
- Decision making
- Wrapping up and following up.

You can watch the recording below:
Principle 3-
An effective board will provide good governance and leadership by ensuring delivery of organisational purpose

The board has ultimate responsibility for directing the activity of the organisation and delivering its stated purposes.
It will do this by:

• **Ensuring purposes remain relevant and valid**
• Providing public benefit
• Developing and agreeing a long term strategy
• Developing operational plans and budgets
• Monitoring progress and spending
• **Amending plans and budgets as appropriate**
• Evaluating results, assessing outcomes and impact
• **Maintaining a positive working relationship with volunteers and staff**
Welcome to the CovidWellbeingNI online hub.

On this website you will find a comprehensive range of information, self-help guides and ways to access help to support your mental health and wellbeing. It was created by CovidWellbeingNI a partnership of 15 leading mental health and wellbeing charities and the Healthy Living Centre Alliance representing 38 Healthy Living Centres alongside the Public Health Agency, Department of Health and the Department for Communities. Our focus is on promoting positive mental health and wellbeing during and after the Covid19 pandemic.

As the guidance around Covid19 changes and/or new ways of accessing support emerge we will be updating this resource weekly to reflect any changes and refresh our information. For the latest news and up to date developments click here.

This resource is designed to be a wellbeing space. If you would like to find out more about Covid19 in Northern Ireland more generally you can get reliable information from the NI Direct Website.
www.nicva.org/article/managing-finance-in-difficult-times-webinar

Watch the webinar recording below:

Managing finance in difficult times from Roisin Kelly on Vimeo.

This webinar is funded by the Halifax Foundation for Northern Ireland.
Managing finances and options for sustainability in uncertain times Webinar recording
Principle 4
An effective board will provide good governance and leadership by exercising appropriate control

As the accountable body, the board will maintain and regularly review the organisation’s system of internal controls, performance, and policies and procedures to ensure that:
to ensure that:

- Complies with legal and regulatory requirements
- Appropriate financial and management controls
- It regularly identifies and reviews risks
- Effective delegation
- Proper arrangements for recruitment, support, supervision, appraisal, remuneration of staff
- Volunteers are managed and supported
www.nicva.org/article/skills-match-cyber-security-webinar-and-resources
Financial Systems and Control Assessment

This assessment is used to assess the financial systems in groups which are government funded. It can be used in tandem with the Good Governance Health Check to review your group’s financial systems.

<table>
<thead>
<tr>
<th>Attachment</th>
<th>Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment for Groups with Government Funding.docx</td>
<td>166.55 KB</td>
</tr>
<tr>
<td>Assessment for Groups with Government Funding.pdf</td>
<td>254.25 KB</td>
</tr>
</tbody>
</table>

RELATED PRINCIPLES

- Financial and management controls

CODE OF GOVERNANCE CONTENTS

- Principle 1 - Role and Responsibilities
- Principle 2 – Working Together
- Principle 3 - Delivery of organisational purpose
- Principle 4 - Exercising Control
- Principle 5 - Being open and accountable

Developing Governance Group
- [www.nicva.org/article/6-hr-considerations-when-returning-to-premises](www.nicva.org/article/6-hr-considerations-when-returning-to-premises)
- [www.volunteernow.co.uk/training/recorded-webinars/](www.volunteernow.co.uk/training/recorded-webinars/)
Principle 5
An effective board will provide good governance and leadership by *behaving with integrity and by being open and accountable*

The board will be open, responsive and accountable, acting at all times with integrity, in the interest of the organisation and its beneficiaries.
The board will:

- Act according to high ethical standards
- Identify and manage conflicts of interest/loyalty
- Maintain independence of decision making
- Ensure open communication
- Listening and responding to stakeholders
- Handle complaints constructively
- Consider responsibilities to the wider community, society and environment
- Promote equality and good relations
Conflicts of interest

The Code of Governance outlines that an effective board will identify, understand and manage conflicts of interest and loyalty.

A conflict of interest arises when the interests of a member of the management committee/board are in conflict with the interests of the organisation they are helping to govern. This can be direct, in relation to the interests of the individual, or indirect, in relation to the interests of a close relative or business partner.

Organisations need to show that they are dealing with conflicts of interest which will arise from time to time. For more information on conflicts of interest please see the NICVA Advice Note on Conflicts of Interest.

Statutory obligations of limited companies
Under the Companies Act 2006, the company directors of all limited companies have a statutory obligation to avoid conflicts of interest and to declare them where they exist. This specifically prohibits accepting benefits from third parties and obliges directors to declare any interest in proposed transactions with the company.

NICVA’s Advice note on Running a charitable company provides up to date guidance on both new and existing obligations relating to conflicts of interest. NICVA has also produced an advice note on the requirement in Company Law for companies to keep a register of People with Significant Control. Or click here for further guidance on Company Law and recent legislative changes.
<table>
<thead>
<tr>
<th>Integrity, openness and accountability</th>
<th>Not Met</th>
<th>Partially Met</th>
<th>Fully Met</th>
<th>Our evidence – Please describe below</th>
<th>Suggested Evidence (examples only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the board ensure that there is regular and effective communication with key stakeholders?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Information provided is timely, relevant, accurate and good quality</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>AGM</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Annual report</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Newsletter</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Website</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Social media</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Member/user participation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Regular meetings</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Community audit</td>
</tr>
<tr>
<td>Do you recognise, promote and value equality and diversity?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>In the composition of your committee, staff, volunteers, beneficiaries</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Equal opportunity policy</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Training</td>
</tr>
<tr>
<td>Does the board, at least annually, consider its independence from government, funders or other stakeholders?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Mission, vision and values</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Conflict of interest</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>BCT’s Independence stocktake</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Conflicts of loyalty</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Research</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Annual review</td>
</tr>
</tbody>
</table>
Questions?
Trustees’ Week 2-6 Nov 2020

Monday  What does being a charity trustee mean?
Tuesday Governance for new, or nearly new trustees
Wednesday Code of good governance in a virtual world
Thursday What makes a great board member
Friday  Trustee annual reporting