

SHEFFIELD HALLAM UNIVERSITY

BOARD OF GOVERNORS

GOVERNANCE CODE: RESPONSIBILITIES, RIGHTS AND CODE OF CONDUCT OF MEMBERS OF THE BOARD OF GOVERNORS

1 INTRODUCTION

In setting out the rights and responsibilities of members of the Board of Governors, this Code of Governance aims to demonstrate that the Board is conducting its business not only in accordance with the University's Instrument and Articles of Government but also in an open, honest and transparent way that engenders trust.

2 RESPONSIBILITIES OF THE BOARD OF GOVERNORS

The responsibilities of the Board derive from the Articles of Government, the Financial Memorandum with the Higher Education Funding Council for England and from certain statutory provisions. They are:

- (a) the determination of the educational character and mission of the University and for oversight of its activities;
- (b) the effective and efficient use of resources, the solvency of the University and the Corporation and for safeguarding its assets;
- (c) approving annual estimates of income and expenditure;
- (d) the appointment, assignment, appraisal, suspension, dismissal and determination of the pay and conditions of service of the Vice-Chancellor, the Director of Finance and the Clerk to the Board of Governors and the holders of such other senior posts as the Board of Governors may from time to time determine;
- (e) setting a framework for the pay and conditions of service of all other staff;
- (f) ensuring the existence and integrity of financial control systems and directing the arrangements for internal and external audit;
- (g) ensuring that the Students' Union operates in a fair and democratic manner and is accountable for its finances;
- (h) ensuring freedom of speech is guaranteed on University premises for staff and students of the University and for visitors;

- (i) the health and safety of employees, students and others while on the University's premises;
- (j) ensuring that the property and income of the University are applied only in support of purposes which are charitable in law;
- (k) monitoring the performance of the University against planned strategic and operational targets and monitoring its own effectiveness;
- (l) ensuring grievance procedures are in place for staff and opportunities are available for students to raise matters of proper concern;
- (m) ensuring a code of conduct is in place for students with procedures for suspension and expulsion.

3 PROPER CONDUCT OF PUBLIC BUSINESS

The Guide for Members of Governing Bodies published by the Committee of University Chairmen states that:

The Board of Governors is entrusted with public funds and therefore has a particular duty to fulfil the highest standards of corporate governance at all times and to ensure that members are discharging their duties with due regard for the proper conduct of public business. Institutions of higher education were included among the public spending bodies examined by the Committee on Standards in Public Life and consequently members of the Board of Governors should observe the Seven Principles of Public Life drawn up by the committee.

New members joining the Board of Governors are asked to embrace the Seven Principles of Public Life by signing a Declaration (Appendix 1).

4 RIGHTS OF MEMBERS OF THE BOARD OF GOVERNORS

Members have the right:

- a) to receive notification on an annual basis of the dates of meetings which shall be convened by the Clerk to the Board;
- b) to be given adequate notice of meetings and of the business to be transacted at meetings;
- c) to receive paperwork presented in the agreed house style which is accurate, relevant, concise, clear and timely to enable members of the Board to discharge their duties and responsibilities. To request before a meeting further information in support of agenda papers, or clarification of their content by contacting the Clerk to the Board.

- d) to receive an accurate record of the meeting as soon as possible after each meeting and to challenge the record of the meeting on the grounds of accuracy. This should be done at the next meeting when the Board is invited to approve the minutes;
- e) to require the Clerk to convene a special meeting of the Board if the Chair or any three members of the Board make such a request in writing to the Clerk;
- f) to be able to express their views in meetings of the Board and its Committees on any issue that requires a decision of the Board and to have reasonable time for debate of major issues;
- g) to be able to express their views in meetings of the Board and its Committees in the secure knowledge and confidence that individual comments will not be attributed to them outside the meeting without their consent;
- h) to expect their colleagues on the Board to act with due skill, care and diligence in the discharge of their responsibilities;
- i) to be received courteously in their dealings with members of the University and with other Board members;
- j) to receive appropriate induction to the Board and the University and a programme of continuing development and training.

5 CODE OF CONDUCT OF MEMBERS OF THE BOARD

5.1 Skill, Care and Diligence

- a) Members of the Board should carry out their functions and perform duties with reasonable diligence and care and should exercise such additional specialist skills and competences as they possess.
- b) Members of the Board should use their best endeavours to ensure that the Board fulfils its responsibilities and that it takes those decisions only that lie within the powers of the Board as stated in the Articles of Government (Article 3.1).

5.2 Corporate Decision Making and Collective Responsibility

- a) The Board reaches its decisions by majority votes of those present at quorate meetings (Article 7.4). A decision of the Board is a decision taken by the members collectively and that creates collective responsibility which each member has a duty to support, whether or not he or she was present at the time the decision was taken and whether or not he or she supported it originally.

- b) Where a member disagrees with a proposed course of action his or her first duty is to voice that dissent at a meeting, or through the Clerk or the Chair and preferably with a written submission if unable to attend, in order that the issue can be fully debated and an informed decision reached.
- c) As stated in 4(f) above, all members have the right to express their views and the views of any group they represent. Indeed it is recognised that the strength of the Board lies in each member bringing their experience and knowledge to bear on the business being discussed. However, members will not have the right to use Board meetings as a forum for bargaining on behalf of any group they represent or have an interest in.
- d) Where a member's view is held so strongly that he or she wishes to disassociate him or herself from a decision of the Board he or she should ensure that that dissent is explicitly recorded in the minutes.
- e) Members should recognise that the Vice-Chancellor has specific responsibilities as "Designated Officer" under the terms of the Financial Memorandum between the University and the Higher Education Funding Council for England.

5.3 Fiduciary Duty

Members of the Board owe a fiduciary duty to the higher education corporation which means that they are required to act in good faith at all times in their dealings with and on behalf of the Board. In particular they must ensure that:

- a) The University's assets and resources are applied in an effective and efficient manner consistent with the University's charitable status.
- b) They exercise their powers in the interests of the University not for any ulterior purpose or to benefit themselves or anyone else at the University's expense.
- c) They avoid any conflict between their personal interest and their duties to the University or any conflict which might interfere with the exercise of their independent judgement.
- d) They declare all pecuniary, business, family or other personal interests in the Register of Interests and ensure that the Register entry is modified as soon as any changes to their circumstances occur by informing the Clerk to the Board in writing.
- e) They declare any pecuniary, business, family or other interest in a contract, proposed contract or other matter to be determined by the

Board or a Committee as soon as possible after commencement of the meeting; and that they take no part in the consideration or discussion of the contract or other matter, nor vote on it (Article 7.13), and that if deemed appropriate by either the member or the Chairman of the meeting they withdraw from the meeting for consideration of it .

- f) They do not receive gifts, hospitality or benefits of any kind from a third party which might be seen to compromise their personal judgement or integrity; and that they report any offer of such gifts, hospitality or benefits to the Clerk to the Board.

5.4 Confidentiality of Board and Committee Business

- a) The principles of openness and transparency should apply to the publication of the proceedings of the Board and its committees. The Standing Orders of the Board indicate the arrangements for publication of Board business within the University and the categories of information that are regarded as confidential and excluded from publication. Members should keep confidential however any matter which the Chair of the Board, the Board itself, the Chair of a committee or the committee itself has determined should be dealt with on a confidential basis.
- b) It is important that the Board and its committees have full and frank discussion of important issues in order that collective decisions can be taken properly. Members should have the right to enjoy mutual trust and confidence. Members should refrain therefore from reporting outside a meeting individual comments and expressions of opinion that were expressed within the confines of a meeting.
- c) Members should not make statements to the press or media or at any public meeting that purport to represent the Board's view or speak on behalf of the Board, without having first obtained the consent of the Chair or, in his or her absence, the Deputy Chair or the Vice-Chancellor.

5.5 Participation in the Board and the Life of the University Community

- a) Members should use all reasonable endeavours to attend meetings of the Board and of those committees on which they sit.
- b) They should be in a position to make an informed contribution to the business of the Board by reading circulated paperwork and discussing issues with colleagues where appropriate.

- c) They are asked to attend the Governors' induction and continuing development sessions presented by the University as part of the Governors' development programme.
- d) Outside of formal Board activities there are opportunities to participate in University events such as graduation ceremonies and professional and public lectures. Members of the Board are in a position to act as ambassadors for the University in networking activities.

Approved by the Board of Governors at its meeting on 21 July 2003 (minute BG/03/37.1 refers)

BOARD OF GOVERNORS

THE SEVEN PRINCIPLES OF PUBLIC LIFE: DECLARATION TO BE COMPLETED
BY ALL NEW MEMBERS OF THE BOARD FROM 1 AUGUST 2001

I (Please print name) _____ have been appointed as a member of the Board of Governors of Sheffield Hallam University Higher Education Corporation.

The Board is strongly committed to the seven principles of public life as expressed by the Nolan Committee on Standards in Public Life. As a member of the Board and holder of public office I embrace these principles which are summarised below:

- **Selflessness:** Governors should take decisions solely in terms of public interests and not in the interests of themselves, their family or friends.
- **Integrity:** Governors should not place themselves under any obligation to a third party which may influence them in the performance of their public duties.
- **Objectivity:** All decisions involving awarding contracts, benefits or rewards should be made on merit.
- **Accountability:** Governors should be accountable to the public for their actions and should submit themselves to appropriate scrutiny.
- **Openness:** All decisions taken should be as open as possible.
- **Honesty:** Governors should declare any private interest relating to their public duty and resolve conflicts so as to protect the public interest.
- **Leadership:** Governors should promote and support these principles by leadership and example.

Signed: _____

Date: _____

Please return this Declaration to the Clerk to the Board in the envelope provided.