

University Code of Conduct for Governors

1.0 Introduction

- 1.1 This Code is intended as a guide for members of the Board of Governors of the University:
- to indicate the standards of conduct and accountability which are expected of them;
 - to enable them to understand their legal and ethical duties;
 - to assist them in carrying out their responsibilities; and
 - to support their relationship with the University and its Executive.

This Code is therefore aimed at promoting effective, well-informed and accountable corporate and charitable governance, and is not intended to be a definitive or authoritative statement of the law.

- 1.2 In addition to this Code, those covered by the code are expected to be familiar with the following, which are provided on appointment:-
- a) the Articles and Instruments of Governance;
 - b) the University's Strategic Plan and Supporting Strategies;
 - c) the Memorandum of Assurance and Accountability with the Higher Education Funding Council; and
 - d) the CUC Higher Education Code of Governance.
- 1.3 Acceptance of appointment as a member of the Board of Governors and of the Higher Education Corporation is construed as acceptance of this Code.

2.0 Scope and definitions

- 2.1 This Code applies to the Board of Governors, any committee, forum or task and finish group and to every subsidiary company or joint venture of the University to which Governors may be appointed or over which they may have jurisdiction or responsibility whether explicit or implied.

3.0 Purpose

- 3.1. The purpose of this Code is to provide all governors with guidance on the standards of behaviour and conduct expected by the University.
- 3.2 This Code supports the decision-making process through which such a judgement on absence or whether a governor "is unable or unfit to discharge the functions of a member" may be made.

4.0 Values

- 4.1 Public service values are at the heart of higher education and a University's service ethos. The high standards of personal and corporate conduct, based on the Nolan principles, underpin this Code, and the actions and decisions taken within the Board and the University community. An extract of the report of the Nolan Committee describing these principles is set out in para 4.4 below.
- 4.2 The University recognises its obligations to all those with whom it has dealings, including students, employees, suppliers, other educational institutions and the wider community. In particular, the University is committed to combating any discrimination within the University on

the grounds of race, ethnic or national origin, gender, religion, age, disability or sexual orientation. The University is committed to treating individuals fairly, with dignity and respect, and thus expects integrity, honesty and fairness to be displayed by its Governors in the same way as that expected of its students and employees. There are additionally specific duties expected of the Governors under equality legislation and described within the University's Equality and Diversity policy.

- 4.3 The Board is also committed to ensuring that it conducts its business in accordance with the highest ethical standards as set out in the Code and its procurement guidance and financial regulations.
- 4.4 As members of a Higher Education Corporation and charitable trustees, Governors recognise that they must operate within the principles laid down by the Nolan Committee for those holding public office. The following is an extract from the Second Report of the Nolan Committee on Standards in Public Life, May 1996:

Selflessness:

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

Integrity:

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

Objectivity:

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

Accountability:

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

Openness:

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

Honesty:

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

Leadership:

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

5.0 Powers

- 5.1 Governors are responsible for taking decisions which are within the powers given to the Corporation by Parliament under the Education Reform Act 1988 as amended by the Further and Higher Education Act 1992. If a governor thinks that the Board is likely to exceed its powers by taking a particular decision, he or she should immediately discuss the issue with the Chair and

refer the matter to the Clerk to the Board of Governors for advice. The position is similar for a member of a committee.

6.0 Duties and Responsibilities

Fiduciary and other duties

6.1 Governors owe a fiduciary duty to the University and must carry out such fiduciary duties responsibly. This means that they should show the University the highest loyalty and act in good faith in its best interests. Each person should act honestly, diligently and independently. Their actions should promote and protect the good reputation of the University and the trust and confidence of those with whom it deals.

6.2 Decisions taken by governors at meetings of the Board and its committees must be for the benefit of the University and not serve any improper purpose or personal motive. The "benefit of the University" can be taken to mean, first and foremost, the interests of its students, its staff and other users of the University's services, and the safeguarding of public and charitable funds. Those covered by this Code should have regard to the best interest of the University, and must not allow any sectional interest to take precedence. In particular, governors are not appointed as 'representatives' or 'delegates' of any outside body, and may not lawfully be bound in their speaking or voting by mandates given to them by other bodies, persons or vested interests.

Use of Public and Charitable Funds

6.5 Governors must take appropriate measures to ensure the University uses resources efficiently, economically, effectively and equitably, avoiding waste and extravagance. There is a duty to ensure the safeguarding of public funds and ensure the stewardship and the proper custody of the assets of the charity, including those which have been publicly funded.

Statutory Accountability

6.6 Governors are collectively responsible for observing the duties set out in the Financial Memorandum which the University has entered into with the Higher Education Funding Council as a condition of receiving public funds.

6.7 Governors should note that they are also responsible for the proper use of income derived from other public and private sources, such as tuition fees through Student Finance England, the Teaching Agency, the National Health Service commissioning bodies and the European Union, including the monitoring of expenditure from such income, in order to meet the requirements of the relevant funding body and public audit.

7.0 Collective Responsibility

7.1 The Board operates by Governors taking majority decisions in a corporate manner at quorate meetings. Therefore, a decision of the Board, even when it is not unanimous, is a decision taken collectively and each individual has a duty to stand by it, whether or not he or she was present at the meeting when the decision was taken. No Governor can act on his/her own without the proper authority from the Board and all carry equal responsibility for decisions made.

7.2 If a Governor disagrees with a decision taken by the Board or Committee, his or her first duty is to have any disagreement discussed and minuted. If the individual still strongly disagrees, he or she should consult the Chair and, if necessary, then raise the matter again with the Board when it next meets, if appropriate. Alternatively, the Governor may decide to offer his or her resignation from office, after consulting the Chair.

8.0 Skill, care and diligent performance

- 8.1 The Board seeks to ensure that all Governors are appointed on merit and expertise, in accordance with an open selection procedure overseen by the Board's Nominations and Governance Committee. Individuals appointed to the Board are drawn widely from the community, having regard to provisions on membership of the Board in the University's Instrument of Government and the need for continuity, balance and a range of appropriate experience, skills and interests.
- 8.2 Once appointed, Governors are encouraged to obtain a thorough grounding in their duties and responsibilities by participating in the University's induction programme for Governors, and in the Link Governor Scheme.
- 8.3 Recognising the volunteer nature of governance, those involved should competently and conscientiously perform the duties outlined in their roles and undertake the reasonable tasks requested by the University. A Governor should, in all his or her work for the University, exercise such skill as he or she possesses, and such care and diligence as would be expected from a reasonable person in the circumstances. This is particularly relevant when a person acts as an agent of the University, for example, when functions are delegated to the Chair, a committee Chair or an individual member. Governors must act within the terms of reference of the Board or committee on which they serve.
- 8.4 In order to promote more effective governance, Governors are expected to carry out a regular self-evaluation process every three years (Governance Effectiveness Review), as part of the Face-to-Face review process with the Chair, and contribute to the review of the performance and effectiveness of the governance of the University more generally.

9.0 Openness, Confidentiality and Use of Official Information

- 9.1 With regard to the University's public accountability and the importance of conducting its business openly and transparently, as a general principle, students and staff of the University have free access to information about the proceedings of the Board. Accordingly, agendas, minutes and other papers relating to meetings of the Board, its committees and groups are normally available for public inspection once they have been approved and may be discussed by those covered by the Code.
- 9.2 There are occasions, however, when the record of discussions and decisions are not made available for public inspection; for example, when the Board is considering sensitive or commercial issues, or named individuals, and for other good reasons. Such excluded items are kept confidential to the Board by the Clerk.
- 9.3 It is important that the Board and its committees have full and frank discussions in order to take decisions collectively. To do so, there must be trust between Governors with a shared corporate responsibility for decisions (see section 7). Governors should keep confidential any matter which, by reason of its nature, the Chair or members of any committee of the Board are satisfied should be dealt with on a confidential basis.
- 9.4 The Clerk will hold a register of confidential minutes that will be reviewed by the Board on an annual basis.
- 9.5 Governors must not exhibit behaviour or engage in activity, whether it be within or external to the University, that may damage the good reputation of the University. They should also

note that their correspondence and documents in relation to the University are subject to the provisions of the Freedom of Information Act and the Data Protection Act.

- 9.6 Governors should not make statements to the press or media or at any public meeting relating to the University or the proceedings of the Board or its committees without first having contacted the University Marketing and Public Relations Department and also having obtained the approval of the Chair or, in his or her absence, the Deputy Chair. It is unethical for Governors publicly to criticise, canvas or reveal the views of other Governors which have been expressed at meetings of the Board or its committees.

10.0 Conflicts of Interest and Loyalty

- 10.1 Like other persons who owe a fiduciary duty, Governors should seek to avoid putting themselves in the position where there is a conflict (actual or potential) between their personal or professional interests and their duties to the Board or its committees. They should not allow any conflict of interest or loyalty to arise that might interfere with the exercise of their independent judgement.
- 10.2 Governors must disclose routinely to the University interests, financial or otherwise, which they or their spouses, children or other close relatives may have, in order that the Clerk enters such interests on the Register. Material should be placed on the Register if it is likely or would, if publicly known, be perceived as being likely, to interfere with the exercise of a person's independent judgement. They must give sufficient details to allow the nature of the interest to be understood by enquirers. Individuals should inform the Clerk whenever their circumstances change and interests are acquired or lost. In deciding whether an interest should be disclosed, they should have regard to the meaning given in "interest" and "close relative" below.
- 10.3 For the purposes of this Code, "close relative" includes but is not limited to a father, mother, brother, sister, child, grandchild and step-father/mother/brother/sister/child.
- 10.4 For the purpose of this Code, "interest" is where there is a supply of works or goods, contract or proposed contract, or other matter private or personal under consideration by the Board or its committees where, arising from the chance of financial gain; kinship; friendship; membership of a commercial company; an association or trade union; trusteeship or other private or personal relationship; a person could be seen as conflicted.

11.0 Political Activity

- 11.1 While Governors may be politically active, in the conduct of their work on the Board, its committees or in service to the University, they should be (and be seen to be) politically impartial and even-handed in dealing with political parties. Guidance from The Cabinet Office Code of Conduct for Board Members of Public Bodies should be used if concerns arise about undue political activity by those covered by the Code.

12.0 Attendance at Meetings

- 12.1 A high level of attendance at meetings of the Board and its committees is expected so that Governors can perform their functions properly. A Governor who is unable to attend relevant meetings and events on a regular basis should offer his or her resignation from office. Under the provisions of sub-paragraph 6(3)(a) of the University's Instrument of Government, if at any time the Board is satisfied that a Governor has been absent from meetings of the Board for a period of twelve months without the permission of the Board, the Governor may be removed from office.

13.0 University Regulations, Policies and Procedures

- 13.1 Governors have a duty to ensure they are fully aware of and comply with University regulations, policies and procedures such as financial regulations, and material on data protection, intellectual property, bribery, and equality and diversity. They must also recognise their responsibility under relevant Health and Safety legislation and comply with the University Health and Safety policy and procedures.
- 13.2 Governors should treat any staff employed by the University or its subsidiaries with courtesy and respect and may expect similar consideration. Those covered by this Code should not act in a way that may damage the relationship of trust and confidence between the University and its employees, or which would conflict with the University's Code of Conduct for Staff.

14. University Resources

- 14.1 All University resources must be used for the purposes of the University and not for personal use, gain or other purposes. Resources include financial arrangements, IT equipment, email, internet, telephone and other University property.
- 14.2 When claiming expenses and allowances, Governors must comply with the University's financial regulations and take personal responsibility for any HM Revenue and Customs requirements which affect them.

15.0 Gifts and Hospitality

- 15.1 Governors must not accept gifts, hospitality or benefits of any kind from a third party which might be seen to compromise their personal judgement or integrity or which might place the person under improper or inappropriate obligation. Any offer or receipt of such gifts, hospitality or benefits should immediately be reported to the Clerk and University guidance followed in accordance with the Gifts and Hospitality Policy.
- 15.2 In canvassing for gifts, donations or benefits as part of the philanthropic and fundraising work of the University, Governors must ensure the appropriate ethical position declared by the University is maintained, and ensure gifts and benefits are retained by the University without making commitments that the University cannot fulfil.
- 15.3 The Clerk maintains a Register of Gifts and Hospitality personal to Governors, which is open for public inspection and the XXX holds the records of gifts and benefits donated to the University, made public in accordance with donor wishes.

16. Poor conduct

- 16.1 Without providing a precise definition of conduct which is unacceptable, the following are examples which could be seen as a breach of this Code of Conduct:
- Breach of confidentiality or trust
 - Consistent refusal to comply with reasonable requests from respective Chair
 - Failure to observe Health and Safety regulations
 - Failure to observe and comply with relevant University policies and / or procedures
 - Consistent lack of attendance
 - Consistent failure to read preparatory papers
 - Consistent inappropriate intervention in meeting discussion

- Misuse of University equipment and resources including IT, email and the internet
- Aggressive or offensive language or behaviour, including physical violence
- Harassment or bullying
- Fraud or deliberate falsification of records
- Serious incapability during University duties due to the influence of alcohol or illegal substances
- Criminal damage on the University's premises
- Discriminatory behaviour as defined in the University's Equality and Diversity Policy - noting that such actions on the grounds of race, sex, disability, age, pregnancy, sexual orientation and religion or belief are unlawful
- Serious breach of security or of financial procedures
- Behaviour bringing the University's good name into disrepute

This list is not exhaustive.

17.0 Complaints and Breach of Code

- 17.1 In order to ensure that the affairs of the University are conducted in an open and transparent manner, and that the University is accountable for its use of public funds but also to its employees, its students and the community it serves, the University has established appropriate complaint procedures. These also apply as necessary to raise a complaint about a Governor. Employees or others may raise concerns about the conduct of a Governor to the Clerk, or directly with the Chair if concerns relate to a senior post holder.
- 17.2 Provided that such complaints of a breach of this Code are made in good faith, and in the reasonable belief that the disclosed concern shows poor governance practice, the matter is taken forward initially informally, If unresolved or as necessary by the establishment of the Special Committee for the purpose of investigation and action. This may result in the application of the Board's authority to remove a member or rescind an appointment made. The raising such concerns are protected by the University's Public Interest Disclosure Policy.

SUMMARY OF THE MAIN PROVISIONS OF THE HEFCE MEMORANDUM OF ASSURANCE AND ACCOUNTABILITY

The Department for Business Innovation and Skills (BIS) requires the Higher Education Funding Council to enter into an agreement set out in a Memorandum of Assurance and Accountability with the University for the purpose of regulating its relationship in financial and related matters and setting out the terms and conditions on which public funds will be paid by the Council to the University. The Memorandum is divided into two parts. Part 1 contains the general terms and conditions under which the Council funds all universities. Part 2 consists of any specific conditions which might apply to the University and is the subject of individual annual notification.

Important points to note in relation to Part 1 are as follows:-

- the governing body of the institution is responsible for ensuring that funds from the Council are used only in accordance with the Further and Higher Education Act 1992, the Memorandum and any other conditions that the Council may from time to time prescribe
- the governing body has a wide discretion over its use of public funds, and is ultimately responsible for the proper stewardship of those funds
- the governing body shall designate an accountable officer of the institution, who will normally be the head of the institution, and shall notify the Council whenever it designates such an officer
- the accountable officer shall advise the governing body if, at any time, any action or policy under consideration by the governing body appears to the accountable officer to be incompatible with the terms of the Memorandum. If the governing body decides nevertheless to proceed, the accountable officer must immediately inform the Chief Executive of the Council in writing
- the governing body of the institution must ensure that it has a sound system of internal management and control
- the governing body of the institution shall plan and conduct its financial and academic affairs to ensure that it remains solvent and that, taking one accounting period after enough, its total expenditure is not greater than its total income
- the institution shall notify the Council of any event that has, or is likely to have, a material adverse impact on the financial position of the institution, as soon as this becomes apparent
- the governing body is responsible for delivering value for money from public funds
- the institution shall provide the Council, or agents acting on its behalf, with whatever information the Council requires to exercise its functions under the 1992 Act. This information shall be of a satisfactory quality and shall be provided at the times and in the formats specified by the Council or its agents
- institutions should have due regard for all legislative requirements placed upon them and their governing bodies to ensure fair and equal treatment of their staff and students
- the institution shall subscribe to HESA, QAA and the OIA and presently to the JISC and the the Higher Education Academy.
- the institution shall take appropriate measures, including signing its acceptance of the Acceptable Use Policy, to ensure that its use of JANET or Super JANET, and networks connected to JANET or Super JANET, conforms to acceptable practice and current legislation
- the institution must ensure that it has an effective policy of risk management incorporating appropriate insurance arrangements
- the institution shall use any funds which the Council has earmarked or provided for specific recurrent or capital purposes, solely for those purposes
- the institution shall manage and develop its estate with regard to the guidance issued from time to time by the Council on estate procedures
- the institution shall keep its holdings of land and buildings under review, with the objective of rationalising and disposing of those which it considers, in the light of its Estate Strategy to be no longer needed
- the institution may sell any land or buildings, including any interesting land and buildings, which were acquired or developed in hold or in part under Exchequer funds provided that all the conditions set out in

- the Memorandum are satisfied
- the institution may grant a lease or licence over land and buildings acquired or developed, whether wholly or in part with the Exchequer funds, provided that all of the conditions set out in the Memorandum are satisfied. Similar conditions apply to the transfer of title to, or grant of an interest or licence in, land and buildings which were acquired or developed wholly or in part using Exchequer fund
- institutions should know and understand the full economic costs of the activities that they undertake, and this information should be taken into account within their management decision making processes
- the institution shall keep proper accounting records and shall prepare financial statements in respect of each accounting period
- the governing body of the institution shall appoint an Audit Committee, and arrange to provided for internal and external audit, in accordance with the Council's Audit Code of Practice and any other directions drawn up and published by the Council in consultation with institutions
- the institution shall provide the Council's Audit Service with access to all books, records, information and assets.

APPENDIX 2 SUMMARY OF THE STATUTORY POWERS OF THE CORPORATION

Under Section 124 of the Education Reform Act 1988, as amended,

- 1.** A Higher Education Corporation shall have power –
 - a) to provide higher education;
 - b) to provide further education;
 - c) to carry out research and to publish the results of the research and any other material arising out of or connected with it in any manner as the Corporation think fit.

- 2.** A Higher Education Corporation shall also have power to do anything which appears to the Corporation to be necessary or expedient for the purpose of or in connection with the exercise of any of the powers conferred on the Corporation by subsection (1) above, including in particular power –
 - a)** to conduct an educational institution for the purpose of carrying an activities undertaken in exercise of any of those powers and, in particular, to assume the conduct as from the transference applicable in relation to the Corporation of the institution in respect of which the Corporation is established and for that purpose to receive any property, rights and liabilities transferred to the Corporation under section 126 of this Act;
 - b)** to provide facilities of any description appearing to the Corporation to be necessary or expedient for the purposes of or in connection with carrying on any such activities (including boarding accommodation and recreational facilities for students and staff and facilities to meet the needs of disabled students);
 - c)** to supply goods and services;
 - d)** to acquire and dispose of land and other property;
 - e)** to enter into contracts, including in particular –
 - i) contracts for the employment of teachers and other staff for the purposes of or in connection with carrying on any such activities; and
 - ii) contracts with respect to the carrying on by the Corporation of any such activities;
 - f)** to form or take part in forming a body corporate for carrying on such activities;
 - g)** to borrow such sums as the Corporation think fit for the purposes of carrying on any activities they have power to carry on or meeting any liability transferred to them under section 126 of this Act and, in connection with such borrowing, to grant any mortgage, charge or other security in respect of any land or other property of the Corporation;
 - h)** to invest any sums not immediately required for any of the purposes mentioned in paragraph (g) above;
 - i)** to accept gifts of money, land or other property and apply it, or hold and administer it on trust

for, any of those purposes; and

- j)** to do anything incidental to the conduct of an educational institution providing higher or further education.

3. The power under subsection (2) G) above includes in particular power –

- a) to fund scholarships or exhibitions; and
- b) to make grants and give prizes.