Agenda item:

Alexandra Palace & Park Board	on 21ˢᵗ December 2010
Report Title: **Bespoke Code of Governance (Part 2)**	
Report of: **Andrew Gill, Interim General Manager, Alexandra Palace & Park Charitable Trust**	

1. Purpose

1.1 To update the Board on progress in making the NCVO Code of Governance bespoke to Alexandra Park & Palace Charitable Trust in the form of the Trustee Handbook.

1.2 To advise the Board of the publication of a new version of the NCVO Code of Good Governance.

2. Recommendations

2.1 That the Board approves the proposal that it does not adopt the refashioned NCVO Code of Good Governance at this juncture.

2.2 That the Board considers whether to adopt the refashioned Code at a future date and that this may be the subject of a "Good Governance" Away Day for the Board following the induction of any new Trustees in May or June 2011.

2.3 That the Board approves the proposed approach to continuing work on the remainder of the documents comprising the Trustee Handbook including the Trustee Code of Conduct and Declaration of Interest, a new Conflict of Interest Policy and terms of reference for a new Sub-Committee of the Board centring on Audit, Finance and Human Resources issues

2.4 That the Board provides guidance to the IGM as it deems appropriate regarding the further development of the Trustee Handbook.

Report Authorised by: **Andrew Gill, Interim General Manager**

Contact Officer: **Andrew Gill, Interim General Manager, Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4340.**

3. Executive Summary

3.1 This report updates the Board on progress in making the NCVO Code of Governance bespoke to Alexandra Park & Palace Charitable Trust.

3.2 A refashioned version of the Code was published on 19 October 2010. The refashioned version broadly reflects the same key principles as the previous 2005 version.

3.3 Reviewing governance should be an ongoing process, and good practice is always

evolving.

3.4 It is proposed that the Board does not adopt the refashioned Code at this juncture, but that work continues by the IGM on the remainder of the documents including the Trustee Code of Conduct and Declaration Of Interest and a new Conflict of Interest Policy.

3.5 A sample of the Trustee Handbook will be available for Board Members to inspect at the meeting on 21 December.

3.6 The key documents that comprise the Trustee Handbook are all in final form and will be available to download from the Alexandra Park & Palace web site.

3.7 The Board may wish to consider adopting the refashioned Code at a future date and the IGM proposes that this be the subject of a "Good Governance" Away Day for the Board following the induction of any new Trustees in May or June 2011.

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4. Reasons for any change in policy or for new policy development (if applicable)

4.1 Resolutions made by the Board on 2 March 2010 and 14 October 2010.

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5. Local Government (Access to Information) Act 1985

5.1 NCVO Code of Good Governance

5.2 Codes of Conduct for Trustees by Charity Trustee Networks

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6.   Description

6.1   Following its work with Stakeholders during the Review of Governance and Vision in 2009 and early 2010, the Board at its meeting on 2 March 2010 resolved that the NCVO Good Governance Code (henceforth referred to as "the Code") and the Key Principles of the Code be endorsed and adopted subject to the provisions of Haringey Council's Constitution as they apply to the Alexandra Palace and Park Board and its officers.

6.2   At its meeting on 14 October 2010 the Board resolved;

6.2.1   That approval be given to the proposed exemptions from the NCVO Code of Governance as listed at section 6.9 of the report;

6.2.2   That approval be given to the proposed approach to the integration of the NCVO code with the existing governing documents of APPCT and ancillary documents as listed in the report and that the suite of documents shall collectively be known as the Trustee Handbook;

6.2.3   That approval be given in principle to the adoption of a Code of Conduct for Trustees and the provision of such guidance as appropriate on the content of such a code.

6.2.4   That approval be given to the creation of a Sub-Committee of the Alexandra Palace and Park Board to enable compliance with the Code of Good Governance as outlined in section 6.10 of the report, with the terms of reference to be drawn up centring on Audit, Finance and Human Resources issues, and that the matter be further reported to the Board for consideration.

6.2.5   That the Interim General Manager Alexandra Palace be instructed to progress the development and further drafting of the documents as necessary to present the Trustee Handbook to a future meeting of the Board for consideration.

6.3   Since the Board last considered this matter a refashioned version of the Code has been published. The revised version broadly reflects the same key principles as the previous 2005 version but it was felt that the language and style of the Code needed to be more accessible to a wider range of organisations, and that there should be a clearer separation between principles and examples of how to put those principles into practice. The Code steering group has prepared a frequently asked questions document about the Code and this is attached at Appendix 1 to this report.

6.4   The revised Code itself is attached at Appendix 2. The table below compares the key principles in both codes;

Table 1

	Key Principles 2005 Code	Key Principles 2010 Code
1	Board Leadership	Understanding their role
2	The Board in control	Ensuring delivery of organisational purpose
3	The High Performance Board	Working effectively both as individuals and as a team
4	Board Review and Renewal	Exercising effective control
5	Board Delegation	Behaving with integrity
6	Board and trustee Integrity	Being open and accountable
7	Board Openness	

6.5   It is proposed that the Board does not adopt the refashioned Code at this juncture.

6.6   The draft Code of Conduct for Trustees (based on the Code suggested by the Charity Trustee Networks) has been amended to reflect the constitutional position regarding the appointment and removal of Trustees from the Board.

6.7   The key documents that comprise the Trustee Handbook are all in final form and will be available to download from the Alexandra Park & Palace web site. A sample of the Trustee Handbook will be available for Board Members to inspect at the meeting on 21 December.

6.8   Reviewing governance should be an ongoing process, and good practice is always evolving. As it would be good practice to do so it is proposed by the IGM that work continues on the remainder of the documents including the Trustee Code of Conduct and Declaration Of Interest, a new Conflict of Interest Policy and terms of reference for a new Sub-Committee of the Board centring on Audit, Finance and Human Resources issues.

6.9   The Board may wish to consider adopting the refashioned Code at a future date and the IGM proposes that this be the subject of a "Good Governance" Away Day for the Board following the induction of any new Trustees in May or June 2011.

7   **Consultation**

7.1   There has been no specific consultation on this report beyond the work done by the Board with stakeholders during the Review of Governance and Vision in 2009 and early 2010.

7.2   Both the APP Statutory Advisory Committee and APP Consultative Committee have welcomed the adoption of the Code.

8   **Recommendations**

8.1   That the Board approves the proposal that it does not adopt the refashioned Code of Good Governance at this juncture.

8.2   That the Board considers whether to adopt the refashioned Code at a future date and that this may be the subject of a "Good Governance" Away Day for the Board following the induction of any new Trustees in May or June 2011.

8.3 That the Board approves the proposed approach to continuing work on the remainder of the documents comprising the Trustee Handbook including the Trustee Code of Conduct and Declaration of Interest, a new Conflict of Interest Policy and terms of reference for a new Sub-Committee of the Board centring on Audit, Finance and Human Resources issues.

8.4 That the Board provides guidance to the IGM as it deems appropriate regarding the further development of the Trustee Handbook.

9 Legal Implications

9.1 The Trust's solicitor was invited to comment on this report.

9.2 LBH Head of Legal Services was invited to comment on this report.

10 Financial Implications

10.1 LBH Chief Financial Officer notes the contents of the report.

10.2 There are no significant financial implications of this report. Most of the work involved in implementing the new Governing Documents will fall to the Trust's officers.

11 Use of Appendices/Tables/Photographs
11.1 Table 1 – Key Principles in the 2005 and 2010 versions of the Code
11.2 Good Governance: a Code for the Voluntary and Community sector - Q and A sheet
11.3 Appendix 2 - NCVO Code of Good Governance (October 2010)

APPENDIX 1

Good Governance: a Code for the Voluntary and Community sector- Q and A v1.0

As at 12th October 2010

What is the Code?

Good Governance: a Code for the Voluntary and Community sector (the Code) is a code of governance written specifically for voluntary and community organisations. It is a voluntary code which voluntary and community organisations are encouraged to sign up to show they are working towards a high standard of governance.

Whose Code is it? Who wrote it?

The Code was produced by the sector, for the sector. The original version was written in 2005 by the Code Steering Group and was published and promoted through the Governance Hub. The second version of the Code was published in October 2010, and once again has been written by the Code Steering Group following consultation with the sector.

Why is there a new version of the Code?

The Code published in 2005 was a 'first edition'. It was always the intention of the Code Steering Group to review its effectiveness after about 18 months. NFP Synergy was commissioned to carry out a review of the Code, which provided some important feedback about the strengths and weaknesses of the first edition. In particular, it was felt that the language and style of the Code needed to be more accessible to a wider range of organisations, and that there should be a clearer separation between principles and examples of how to put those principles into practice. Following a consultation with the wider sector in Autumn 2009 the Code steering group has 'refashioned' the Code.

Who is the Code for?

It is intended to be for all voluntary and community organisations, including charities, in England. The new version reflects the governance of organisations with employees, although the principles are generic and apply to all organisations. The Code Steering Group are also starting work on a new version for smaller, unstaffed voluntary and community organisations, due for launch in Spring 2011.

Does it only apply in England, or does it apply to the rest of the UK?

For historic reasons, the original Code was only promoted in England. We hope it will also prove useful to voluntary and community organisations in Wales, Scotland and Northern Ireland, but so far the Code has not been endorsed by any sector umbrella bodies in those countries. This is a possibility that we would like to explore in future.

What if I want to create a Code specifically for my organisation or subsector?

The Steering Group would love to hear from you! We hope that you will not need to change the principles, which are intended to work for all organisations, but we recognise that they will apply in different ways to each organisation and to groups of organisations that have purposes or structures in common. We aim to recognise and signpost sub-sectoral Codes that are based on the Code principles, as part of a wider 'Code family'. Recognition of the subsector Codes does not however mean that we will 'endorse' or accredit the individual Codes.

What is the Code Steering Group?

The Code Steering Group is made up of representatives of the organisations behind the Code, which have a particular interest in governance in the voluntary and community sector. These organisations (known as the Code Founding Group) are ACEVO, Charity Trustee Networks, ICSA

and NCVO. The Steering Group has an independent chair, Lindsay Driscoll, and is attended by a representative the Charity Commission.

How many organisations are using the Code?
NFP Synergy's review of the Code (Review and development of the Code of Good Governance – June 2008) identified that 71% of CEOs and trustees who responded to their survey were aware of the Code, and 42% had used it.

What has happened to the Code since the closure of the Governance Hub?
Representatives from the organisations that originally wrote the Code have continued to work together as a Steering Group. Lindsay Driscoll was appointed as the Steering Group's independent Chair. They have worked to consult the sector and 'refashion' a new version of the Code which was published in October 2010. The Code Steering Group, are also starting work on a new version for small, unstaffed voluntary and community organisations, due for launch in Spring 2011. They are also creating a new website to host the Code and supporting information.

How has the Code changed?
The Steering Group has always aimed to retain the ethos and key principles underpinning the original Code, building on and developing them. We have been informed by the NFP Synergy review and consultation with Code users as well as recent economic events and new thinking in governance. As a result, the second edition looks very different – the principles are worded differently; there is also less emphasis on *what* to do, and more on *why* good governance matters and *why* you should tailor it to fit your organisation.

We comply with the original version of the Code. How do we transfer to the new Code?
Reviewing your governance should be an ongoing process, and good practice is always evolving. Nothing you are currently doing will suddenly become 'wrong', but next time you use the Code, hopefully the new edition will help you to look at things in a different way. [see also the answer to the next question]

Is the original version now invalid? How does this affect my own charity?
Our intention is to make the Code easier to use and understand. We don't believe that we are fundamentally changing the key principles on which it is based. Any organisations that have adopted the Code and are used to the 'first edition' are welcome to continue using it, but we will no longer be providing or developing supporting documentation (e.g. toolkits) based on it. We will continue to recognise adopters of the 'first edition' for the foreseeable future, and adoption of the Code is a purely voluntary process.

What if I have feedback about the new version of the Code?
The Steering Group always welcomed feedback on the Code. We will consider any feedback and aim to answer any questions. We are hoping, however, that we won't need to make any further revisions to the Code for at least a couple of years!

We signed up to the original Code. Can we sign up to the new Code?
We are hoping to have this facility again once the website is [fully] up and running, together with case studies submitted by Code users. We need to think through some of the practicalities though; watch this space!

What help and support can we get to comply with the Code?
The Steering Group recognises that it would be desirable to develop toolkits and signpost guidance on good governance, but at present we have no resources and no staff – everything has been done by voluntary effort and through the good will of the Founding Group organisations and other Code supporters, for which we are all very grateful. This will be something that we need to consider further in the near future.