

UNIVERSITY OF CUMBRIA

CODE OF CONDUCT FOR UNIVERSITY BOARD DIRECTORS

Introduction

This Code is intended as a guide to indicate the standards of conduct and accountability which are expected of members of the University Board, to enable them to understand their legal and ethical duties as Director, and to assist them in carrying out those duties and in their relationship with the University Board and with the Vice Chancellor. This code aims to promote effective, well-informed and accountable University governance. It is not intended to be a definitive or authoritative statement of the law. If members of the University Board are in doubt about the application of the Code, they are welcome to consult the University Secretary.

In addition to this Code, members of the University Board are recommended to familiarise themselves with the following source documents:

- The University's Articles of Association
- The University Board Regulations
- The University's Strategic Plan
- The CUC Guide for Members of Governing Bodies
- The Office for Students regulatory framework

The University Board has formally adopted the principles laid down by the Committee on Standards in Public Life (the Nolan Committee as it then was) for the conduct of its affairs. These principles, which are applicable to all those holding public office, are:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

Ultimate responsibility for the appropriateness of conduct as a member of the University Board, and for any act or omission in that capacity, rests with the individual member.

This Code applies to every committee or other properly constituted sub-group of the University Board, and to any other body to which members of the University Board may be appointed in their capacity as Directors.

By accepting appointment to the University Board, each member agrees to accept the provisions of this Code.

Duties

1. Members of the University Board owe a fiduciary duty to the University. This means that they should show loyalty to it and act in good faith in its best interests. Each Director should act honestly, diligently and in accordance with the Nolan principles. The actions of Directors should promote and protect the good reputation of the University, and the trust and confidence of those with whom it deals.
2. Decisions taken by Directors at meetings of the University Board and its committees must not be for any improper purpose or personal motive. Decisions taken must have as their intention the benefit of the University, its students, staff and others with an interest in it, and must be taken with a view to safeguarding the University's financial

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health. Directors must not be bound in their speaking and voting by mandates given to them by other bodies or persons.

3. Members of the University Board must observe the provisions of the University's Articles of Association and in particular the responsibilities laid upon the University Board, as follows:
 - 3.1 the determination of the educational character and objectives of the University and for the supervision of its activities;
 - 3.2 awarding (whether honorary or not) taught and/or (if appropriate) research degrees and/or other awards or diplomas to Students and any other person(s) approved by the Board of Directors;
 - 3.3 the effective and efficient use of resources, the solvency of the University and for safeguarding its assets;
 - 3.4 to approve development plans and formulate policy;
 - 3.5 approving annual estimates of income and expenditure;
 - 3.6 the determination of the Senior Posts save that the Vice-Chancellor shall always be a Senior Postholder;
 - 3.7 the appointment, appraisal, discipline, suspension and dismissal and the determination of the grading, pay and conditions of service of the holders of Senior Posts;
 - 3.8 the determination of the policy for pay and general conditions of employment of the Staff who are not Senior Postholders; and
 - 3.9 the appointment of Auditors.
4. In fulfilling such responsibilities the Directors shall be responsible for:
 - 4.1 ensuring the University complies with the terms of the Articles of Association;
 - 4.2 promoting the interests of the University;
 - 4.3 acting prudently and with reasonable care, skill and diligence;
 - 4.4 complying with all legal responsibilities imposed on the Directors by law;
 - 4.5 acting selflessly in the interests of the University;
 - 4.6 acting with integrity, in good faith, honestly, objectively, accountably and for a proper purpose;
 - 4.7 complying with good governance practice and principles;
 - 4.8 avoiding or declaring (where appropriate) conflicts of interest or potential conflicts of interest;
 - 4.9 not profiting at the University's expense;
 - 4.10 not acting in a sectional interest; and
 - 4.11 not misusing the position of Director.

5. Members of the University Board are expected to contribute to an ethos which ensures that the University Board conducts itself in an orderly, fair, open and transparent manner and must abide by any Standing Orders which may be adopted.
6. Directors should also have regard to the complementary responsibilities laid upon the Vice Chancellor in their capacity as the University's Chief Executive and Accountable Officer. The main function of the University Board is to decide strategic policy and overall direction, and to monitor the performance of the University against the plans that are approved; it is the Vice Chancellor's role to implement the University Board's decisions and to lead and manage the University. Directors and the Vice Chancellor are expected to work together to ensure that their respective roles are performed effectively.

Statutory accountability

1. Under the Articles of Association, no person shall be entitled to act as a Director until he or she has signed a declaration of acceptance and willingness to act in pursuance of the Objects of the University.
2. The University Board as an entity is responsible for ensuring that funds from the Office for Students are used only in accordance with the terms of funding attached to them. The University Board is ultimately responsible for the proper stewardship of public funds. Members must ensure that the discretion of the University Board is used reasonably, and takes account of any relevant guidance provided by competent outside bodies.
3. The University Board is also responsible for the use of other funds that are made available to the University, and for abiding by the terms under which any such funding may be provided.
4. The University of Cumbria is an exempt charity. The University Board is *ipso facto* the body of trustees of the charity. Members are expected to conduct themselves accordingly, and to act whenever appropriate in the interest of the charity.

Skill, care and diligence

Directors should in all their work for the University exercise such skill as they may have and such care and diligence as would be expected from a reasonable person in the circumstances. This is particularly relevant when Directors act other than in the collectivity of the University Board, for example when functions are delegated to an individual or committee.

Conflicts of interest

1. Like other persons who owe a fiduciary duty, Directors should seek to avoid putting themselves in a position where there is a conflict (actual or potential) between their personal interests and their duties as Directors. They should not allow any conflict of interest to arise which might interfere with the exercise of their independent judgement.
2. Under the Articles of Association, Directors are required to declare pecuniary, family or other interest in any matter under discussion. Any Director who declares such an interest shall take no part in the consideration of the matter and shall be required to withdraw when such a matter is under consideration.
3. The University Secretary will maintain a Register of Directors' Interests, which will be open for public inspection. Directors must disclose routinely all interests, financial or other, which they may have, and the University Secretary will enter such interest on the Register. Directors should inform the University Secretary if their circumstances materially change and interests are acquired or are no longer current. It is for individual Directors to decide whether the nature of an interest is such that it should be disclosed. The University Secretary will provide advice on request.

Collective Responsibility

The University Board operates by taking decisions in a corporate manner (if necessary, by majority vote) at quorate meetings. Therefore, a decision of the University Board, even if not unanimous, is a decision taken by Directors collectively, and each individual Director has a duty to stand by it. This applies whether or not the Director concerned was present at the meeting of the University Board when the decision was taken.

Confidentiality

1. Because the University Board is accountable to the University community and to other stakeholders, Directors should ensure that, as a general principle, free access to information about the proceedings of the University Board is available. University Board papers are available for public inspection unless otherwise determined.
2. There will be occasions when papers and the record of discussion and decision are not made available for public inspection, for example when they concern sensitive issues or named individuals, or for other exceptional reasons. Staff and Student Directors have no right of access to minutes dealing with matters in respect of which they are required to withdraw from meetings under the provisions of the University Board Regulations.
3. Directors should keep confidential any matter which is designated confidential, and not discuss it outside the meeting.
4. Directors should not make public statements (e.g. to the press) relating to the business of the University Board without having first obtained the approval of the Chair (or, in his/her absence, the Vice-Chair).

Attendance at meetings

Directors are expected to attend meetings whenever they can in order that the business of the University Board and its committees can be conducted effectively and with due expedition.

Office for Students 'Fit and Proper Person'

All Directors must indicate that they are 'fit and proper persons' to hold the position of Director, as per the Office for Students definition:

A fit and proper person:

- is of good character
- has the qualifications, competence, skills and experience that are necessary for their role;
- is able by reason of their health, after reasonable adjustments are made, to properly perform the tasks of the office or position for which they are appointed
- has not been responsible for, been privy to, contributed to, or facilitated any serious misconduct or mismanagement (whether unlawful or not) in their employment or in the conduct of any entity with which they are or have been associated.

The following are indicators that a person may not be a fit and proper person:

- disqualification from acting as a company director, or from acting as a charity trustee, as set out in the Company Directors Disqualification Act 1986 or the Charities Act 2011
- conviction of a criminal offence anywhere in the world
- subject of any adverse finding in civil proceedings, where relevant, including, but not limited to bankruptcy or equivalent proceedings (in the last three years)
- subject of any adverse findings in any disciplinary proceedings by any regulatory authorities or professional bodies
- involvement in any abuse of the tax systems
- involvement with any entity that has been refused registration to carry out a trade or has had that registration terminated
- involvement in a business that has gone into insolvency, liquidation or administration while the person has been connected with that organisation or within one year of that connection;

- dismissal from a position of trust or similar involvement with a higher education provider that has had its registration refused or revoked by the OfS or has had similar action taken against it by another regulator (this includes, but is not limited to, serving on a board/governing body, having voting rights, being a significant shareholder/owner, serving in a senior position, etc.).

Should a Director's circumstances change in relation to an aspect of the 'fit and proper' definition they must notify the Chair and / or the University Secretary immediately. A decision will then be made as to what action should be taken.

Breaches of this Code

Any alleged breach of this Code should be brought to the attention of the University Secretary. The University Secretary, acting in consultation with the Chair, may attempt to deal with the matter, or bring it before the full University Board, depending on the level of seriousness.

Adopted by the University Board: 1 August 2007

Revised June 2016 to reflect the new Articles of Association

Revised October 2018 to reflect the change from HEFCE to Office for Students