



# Governance Principles and Procedures

Document Control

Policy owner: Director

Approved by: Board of Trustees

Effective from: 01/04/2026

Review date: 01/04/2029

Version: 1.0

## 1. Purpose

The Natural Sciences Museum, Sheffield (“NSM”) is committed to high standards of governance, accountability and stewardship.

This document sets out the governance principles and procedures by which NSM will be directed, controlled and held accountable. It is intended to ensure that NSM:

- acts in furtherance of its charitable purposes and for public benefit;
- makes decisions lawfully, properly and transparently;
- uses its resources responsibly;
- manages risk appropriately;
- maintains effective oversight of operations, collections, staff and subsidiaries; and
- supports a culture of integrity, respect and good judgment.

## 2. Scope

This document applies to:

- the Board of Trustees;
- the Chair and any Vice-Chair;
- the Director;
- any committees or working groups established by NSM;
- Heads of Department;
- staff with delegated authority; and

- any subsidiary or controlled entity of NSM, so far as relevant to group governance and reporting.

This document should be read alongside NSM's constitution, financial regulations, scheme of delegation, code of ethics, conflicts of interest arrangements, and other governance-related policies.

### **3. Governance Framework**

NSM's governance structure is:

Trustees → Director → Heads of Department → staff

This reflects a board-led model in which strategic direction, legal responsibility and ultimate accountability sit with the Trustees, while day-to-day management is delegated to the Director and through the Director to Heads of Department and staff. That is consistent with Charity Commission guidance that trustees retain legal responsibility for the charity's management and administration even where functions are delegated, and with modern charity governance guidance recommending written delegation arrangements.

### **4. Governance Principles**

NSM adopts the following governance principles.

#### **4.1 Foundation and legality**

NSM will comply with its governing document, charity law, other applicable law, and any relevant regulatory or funding obligations.

#### **4.2 Organisational purpose**

All governance activity must support NSM's charitable purposes and public benefit.

#### **4.3 Leadership**

The Trustees and Director must provide clear leadership, strategic direction and appropriate challenge.

#### 4.4 Ethics and culture

NSM will promote honesty, integrity, openness, respect and accountability throughout the organisation.

#### 4.5 Sound decision-making

Decisions must be made at the correct level, on a sufficiently informed basis, in good faith and in the best interests of NSM.

#### 4.6 Responsible management of resources and risks

NSM must protect and use its assets responsibly and maintain proportionate systems for financial control, risk management and assurance.

#### 4.7 Inclusion and fairness

NSM will seek to govern inclusively, lawfully and fairly, taking account of relevant equality, diversity and inclusion considerations.

#### 4.8 Board effectiveness

The Board should have the right balance of skills, information, time, conduct and review mechanisms to govern effectively.

These themes align with the 2025 Charity Governance Code's eight principles and with the Charity Commission's six key trustee duties.

## **5. Duties of the Trustees**

The Trustees are collectively responsible for the proper governance of NSM.

In broad terms, the Trustees must:

- ensure NSM is carrying out its purposes for the public benefit;
- comply with NSM's governing document and the law;
- act in NSM's best interests;
- manage NSM's resources responsibly;
- act with reasonable care and skill; and
- ensure NSM is accountable.

These are the Charity Commission's six main duties of trustees.

## **6. Roles and Responsibilities**

### 6.1 Board of Trustees

The Board of Trustees is responsible for:

- setting NSM's strategic direction;
- safeguarding NSM's mission, values and reputation;
- approving major policies and reserved matters;
- overseeing financial stewardship, risk and internal control;
- appointing, supporting and holding the Director to account;
- ensuring appropriate governance of collections, people, data and assets;
- overseeing any subsidiary or controlled entity at group level; and
- ensuring lawful and proper decision-making.

### 6.2 Chair of Trustees

The Chair is responsible for leading the Board effectively, ensuring orderly conduct of meetings, supporting collective decision-making, and maintaining an effective relationship between the Board and the Director.

### 6.3 Director

The Director is responsible for day-to-day management of NSM, for implementing Board strategy and policy, and for ensuring that staff and departmental structures operate effectively within delegated authority.

### 6.4 Heads of Department

Heads of Department are responsible for operational leadership within their departments, for implementing policy, managing delegated budgets and risks, and escalating material issues to the Director.

### 6.5 Staff with delegated authority

Staff may act only within the limits of delegated authority and must comply with NSM policies, procedures and reporting requirements.

## **7. Reserved Matters and Delegation**

The Board may delegate functions, but it cannot delegate ultimate responsibility.

Recognised charity governance practice is that delegation should be documented in writing, and important decisions made under delegated authority should be reported back to the board.

### **7.1 Matters reserved to the Trustees**

The following matters are normally reserved to the Board unless the constitution expressly provides otherwise:

- approval of strategy and major plans;
- approval of annual budget and significant unbudgeted commitments;
- approval of annual report and accounts;
- approval of key governance policies and material amendments;
- appointment and removal of the Director;
- creation or closure of subsidiaries, major projects or significant organisational changes;
- approval of major acquisitions, disposals, borrowing or commitments of strategic significance;
- approval of decisions involving major legal, ethical, reputational or financial risk;
- approval of significant litigation or settlement;
- approval of changes to governance structure or constitutional matters.

### **7.2 Delegated authority**

Operational management is delegated to the Director, who may further delegate specified functions to Heads of Department and staff, subject to:

- the governing document;
- board resolutions;
- financial regulations;
- the scheme of delegation; and
- this document.

All delegated authority must be exercised within written limits and be capable of review.

## **8. Decision-Making Procedures**

When making decisions, the Trustees and anyone acting under delegated authority must follow the core decision-making principles reflected in Charity Commission guidance. Trustees must:

- act within their powers;
- act in good faith and only in NSM's interests;
- make sure they are sufficiently informed;
- take account of relevant factors;
- ignore irrelevant factors;
- manage conflicts of interest; and
- make decisions within the range that a reasonable trustee body could make.

Accordingly, NSM decision-making should:

- be informed by appropriate papers, advice and evidence;
- be proportionate to the significance of the issue;
- be recorded clearly;
- identify options, risks and implications;
- involve challenge and discussion where appropriate; and
- be revisited only where there is a proper reason to do so.

## **9. Conflicts of Interest and Loyalty**

Trustees and others involved in governance must identify, declare, record and properly manage actual, potential and perceived conflicts of interest and conflicts of loyalty.

Charity Commission guidance states that trustees must make decisions only in the best interests of the charity and must prevent conflicts from affecting decision-making. In serious cases, the conflict may need to be removed or the conflicted person excluded from participation.

NSM will therefore maintain:

- a register of interests;
- standing declarations at meetings;

- procedures for withdrawal from discussion and/or decision where appropriate; and
- proper recording of how conflicts were handled.

## **10. Board Meetings**

The Board will meet as often as necessary to discharge its responsibilities.

Meeting procedures must comply with NSM's constitution. Charity Commission guidance on charity meetings emphasises that charities should plan, run and keep records of meetings properly, and that governing documents should be checked to ensure they support online or hybrid meetings where these are used.

### **10.1 Agendas and papers**

Agendas and papers should be circulated in sufficient time before meetings to allow proper consideration, except in urgent cases.

### **10.2 Quorum**

Quorum requirements are those set out in NSM's constitution.

### **10.3 Minutes**

Minutes must provide an accurate record of decisions, material discussion points, declared conflicts, actions and, where appropriate, the reasons for key decisions.

### **10.4 Remote and hybrid meetings**

Remote or hybrid meetings may be used where permitted by NSM's constitution and where they support effective participation and proper decision-making.

## **11. Committees and Working Groups**

The Board may establish committees or working groups to assist with governance.

Any such body must have:

- written terms of reference;
- clear delegated authority;
- a reporting route to the Board; and
- appropriate membership and review arrangements.

Committees may advise, scrutinise or decide delegated matters, but they remain accountable to the Board within the authority given to them.

## **12. Information, Reporting and Assurance**

Good governance depends on timely, accurate and proportionate information.

The Board should receive sufficient information to oversee:

- strategy and performance;
- finance and reserves;
- risk and controls;
- collections governance and stewardship;
- people, safeguarding and culture;
- legal and regulatory compliance;
- major projects and partnerships; and
- subsidiary activity where relevant.

This reflects the Charity Governance Code's emphasis on decision-making, resources and risks, and board effectiveness.

## **13. Risk Management and Internal Control**

NSM will maintain proportionate arrangements for identifying, assessing, managing and monitoring risk.

These arrangements should include:

- a risk register or equivalent documented process;
- clear ownership of significant risks;
- financial controls;
- policy compliance monitoring;
- incident escalation procedures; and
- review of assurance gaps.

The Charity Governance Code identifies managing resources and risks as a core governance principle, and Charity Commission guidance links trustee responsibility directly to sound control over resources and risk.

## **14. Accountability and Transparency**

NSM will be accountable to its Trustees, members where applicable, regulators, funders, donors, stakeholders and the public.

This includes:

- maintaining proper records;
- filing statutory returns and accounts on time;
- giving clear reasons for significant decisions where appropriate;
- reporting serious incidents where required; and
- being open, except where confidentiality, legal duty or security requires restriction.

The Charity Commission requires charities to report serious incidents promptly where there is significant harm, loss, damage or reputational risk, and trustees remain responsible for that reporting.

## **15. Conduct, Culture and Board Behaviour**

NSM expects high standards of conduct in governance.

Those involved in governance must:

- behave respectfully and professionally;
- support collective responsibility once decisions are made;
- challenge constructively;
- maintain confidentiality where required;
- avoid misuse of position;
- act in line with NSM's Code of Ethics; and
- support a culture in which concerns can be raised appropriately.

## **16. Induction, Training and Review**

Trustees and senior staff involved in governance should receive appropriate induction, information and ongoing development.

This should include, as appropriate:

- the governing document;
- trustee duties;
- decision-making;
- conflicts of interest;
- finance and risk;
- collections and museum governance;
- safeguarding, data protection and serious incident reporting; and
- the role of any subsidiary or trading entity.

The Charity Governance Code treats board effectiveness as a continuing responsibility, not a one-off exercise.

## **17. Subsidiaries and Group Governance**

Where NSM has a subsidiary or controlled entity, NSM will maintain appropriate group-governance oversight.

This should include:

- clarity of purpose for the subsidiary;
- documented relationship between NSM and the subsidiary;
- reporting lines to the Director and Trustees;
- oversight of financial, legal, tax, reputational and operational risk;
- management of conflicts between parent and subsidiary interests; and
- clear authority for decisions involving intercompany arrangements, intellectual property, research and development, trading, brand use or major commitments.

The existence of a subsidiary does not remove the Trustees' responsibility to understand and oversee the risks that may affect NSM.

## **18. Breach and Non-Compliance**

Failure to comply with this document, with delegated authority, or with associated governance procedures may result in:

- corrective action;
- withdrawal of delegated authority;
- referral to the Board or Chair;
- disciplinary action where applicable; or

- other appropriate steps consistent with NSM's constitution and policies.

## **19. Review**

This document takes effect on 01/04/2026 and will be reviewed by 01/04/2029, or earlier if required by:

- changes in law or Charity Commission guidance;
- constitutional amendment;
- significant governance failure or serious incident;
- establishment or restructuring of a subsidiary; or
- other material organisational change.