AIM Guides for Boards
Doing a governance audit

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Introduction

A governance audit is a process of reviewing documentation and processes to:

- ensure that any changes in the law or regulations are taken into account; and
- enable trustees to be kept up-to-date with changes in good practice.

Often they are carried out as part of a larger governance review focusing on a board's roles, functions and effectiveness; an audit of governance is designed to look at processes, not at these broader issues.

Whereas full reviews are usually conducted at irregular intervals, driven by specific circumstance, governance audits should be carried out as a matter of regular routine rather than as a one-off project. They should be in the role description of an individual office-holder, such as the chair, secretary to the board, or a specific trustee. Only when neglected does the exercise become onerous; many of the topics to be considered can be dealt with in minutes. The results of the audit and any actions considered necessary should be reported to, discussed, and acted on, by the trustees.

Checklist

The following checklist – based on the guidance issued by the Charity Commissions for England & Wales and for Northern Ireland, the Office of the Scottish Charities Regulator, and the *Charity Governance Code* – provides the basis for such an audit. Some of the tasks listed should be carried out on an annual basis (many can be best undertaken in conjunction with the preparation of the trustees' annual report); others are normally required at less frequent intervals.

The Museum Accreditation Scheme has its own requirements to adopt and review key policies but museums should always maintain their own timetables to review and adopt policies rather than this being driven by the administrative requirements of Museum Accreditation.

Independent museums reflect a huge range of scale and complexity, and this checklist aims to cover every type. It is not intended to suggest that 'one size fits all', and only provides guidance on the matters that need to be considered. Trustees should always exercise their judgement and take actions that are proportionate to the size and nature of the museum for which they are responsible. They should decide which of the requirements listed here are relevant to their organisation and simply strike through any which do not apply.

Annual	Not Met	Part Met	Fully Met	Actions
The museum's activities are in line with the objects/purposes specified out in its governing document	☐	☐	☐	
The requirements of the governing document are being carried out, including, where applicable, those relating to general meetings	☐	☐	☐	
The necessary filings have been made with the relevant charity regulator				
- Annual returns and accounts	☐	☐	☐	
- Changes to the governing document	☐	☐	☐	
If the charity is also a company, the necessary filings been made with Companies House				
- Annual Accounts	☐	☐	☐	
- Confirmation Statement	☐	☐	☐	
- Changes to the governing document, directors and their details, auditors, and special resolutions	☐	☐	☐	
All trustees have completed and signed the following forms				
- Confirmation of their eligibility to serve	☐	☐	☐	
- Declaration of interests with any connected persons	☐	☐	☐	

Annual	Not Met	Part Met	Fully Met	Actions
Induction of all recently-appointed trustees has been completed				
- Welcome meeting with Chair and briefing on how the board works and the Museum's operating environment and stakeholders	☐	☐	☐	
- Information pack/governance manual	☐	☐	☐	
- Briefings by management (when appropriate)	☐	☐	☐	
In England and Wales, the Museum's activities have been reviewed in line with the Charity Commission's public benefit guidance	☐	☐	☐	
The information in the trustees' annual report presents a balanced view of the Museum's achievements and challenges to both stakeholders and the general public	☐	☐	☐	
The following policies been reviewed in relation to current legislation and other requirements:				
- Collecting } The 'Collections Development' policy required	☐	☐	☐	
- Disposals by Museums Accreditation	☐	☐	☐	
- Reserves	☐	☐	☐	
- Health & Safety	☐	☐	☐	
- Equal Opportunities/Equality	☐	☐	☐	
- Safeguarding Children & Vulnerable People	☐	☐	☐	
- Data Protection & Confidentiality	☐	☐	☐	
- Risk management (including arrangements for disaster and emergency planning)	☐	☐	☐	
- Payments to trustees (in line with governing document)	☐	☐	☐	
- Investment (where appropriate)	☐	☐	☐	
- Heritage assets	☐	☐	☐	
The Museum's internal registers are up to date				
- Register of members eligible to vote (where applicable)	☐	☐	☐	
- Register(s) of trustees/directors	☐	☐	☐	
- Accessions Register	☐	☐	☐	
There a continuing process to identify potential trustees and recruitment of new trustees	☐	☐	☐	

Annual	Not Met	Part Met	Fully Met	Actions
The needs and opportunities for trustee training and development have been actively considered and followed through	☐	☐	☐	
Procedures are in place to help the board monitor progress throughout the year and evaluate the effectiveness of the Museum's work	☐	☐	☐	
Annual Business plans/workplans, with associated budgets are produced	☐	☐	☐	
Action has been taken to ensure the Museum's premises are well-maintained	☐	☐	☐	
The museum has financial systems in place and these are being followed	☐	☐	☐	
The trustees receive accurate, timely and readily-understood financial reports at each board meeting	☐	☐	☐	
The trustees have assessed the risks run by the museum (both short- and long-term, and have taken action to mitigate those risks	☐	☐	☐	
There has been formal consultation and/or regular communication with key stakeholders	☐	☐	☐	

Every 2–3 years	Not Met	Part Met	Fully Met	Actions
The museum's insurance cover been reviewed in the light of its current activities and future plans	☐	☐	☐	
Terms of reference/role descriptions/delegations/regulations for trustees, office-holders, standing committee members and working groups meet current and anticipated future requirements	☐	☐	☐	
An audit of the backgrounds, experience and skills of board members has been conducted in the past three years	☐	☐	☐	

Every 2–3 years	Not Met	Part Met	Fully Met	Actions
The following policies been reviewed during the past three years:				
- Recruitment and management of volunteers, including payment of expenses	☐	☐	☐	
- Employee management policies (including recruitment, conditions of service, redundancy, retirement and induction)	☐	☐	☐	
- Email/internet, and social media	☐	☐	☐	
- Security	☐	☐	☐	
- Fundraising and sponsorship	☐	☐	☐	
There are adequate procedures/ guidelines to distinguish between the duties of employees, volunteers and other workers, and these are working well	☐	☐	☐	
There are appropriate management systems in place for employees, volunteers and other workers	☐	☐	☐	
The legal requirements for the recruitment and management of employees, workers and volunteers are being met	☐	☐	☐	
Meetings of the trustees and sub-committees are working well	☐	☐	☐	
Reports to the trustees are clearly-written, and minutes provide a clear record of decisions taken, and the reasons for those decisions	☐	☐	☐	
The following Museum Accreditation policies are being reviewed in connection with the requirements of the Scheme:				
- Documentation	☐	☐	☐	
- Collections care and conservation	☐	☐	☐	
- Access	☐	☐	☐	

Every 5 years	Not Met	Part Met	Fully Met	Actions
The governing document continues to meet the museum's needs	☐	☐	☐	
The board is working to a written plan that describes what the museum wants to achieve during the current five year period	☐	☐	☐	
The following policies have been reviewed with the past five years				
- Communications and media	☐	☐	☐	
- Complaints	☐	☐	☐	
- 'Whistleblowing'	☐	☐	☐	
- Internal conflicts within the board	☐	☐	☐	
- Gifts and hospitality	☐	☐	☐	
- Employee grievance and disciplinary	☐	☐	☐	
- Employee appraisal (including for the most senior management)	☐	☐	☐	
- Environmental ('green issues') including the 'environmental sustainability' policy required by Museum Accreditation	☐	☐	☐	
- Supplier selection	☐	☐	☐	
The performance of the Museum's auditor/ external examiner has been reviewed	☐	☐	☐	
Standing committees are working well, or have been identified as in need of review	☐	☐	☐	

About the author:

Adrian Babbidge has, in one capacity or another, been advising independent museums on governance issues for more than 35 years. He is now semi-retired, but continues to research and write on matters relating to the museums and heritage sector.