CSO TOOLKIT

AGENTS FOR CITIZEN-DRIVEN TRANSFORMATION (ACT)

EFFECTIVE GOVERNANCE

TABLE OF CONTENTS

ACKNOWLEDGEMENTS

PURPOSE

The Effective Governance Toolkit has been developed as guidance for CSOs[1] in Nigeria; it is not a Training Manual but aims to support CSO partners to stay on track, refine their accountability processes and to improve the effectiveness and legitimacy of their CSO through good governance procedures. There is much information available through those ACT-participating CSOs who have experience in governance to share, and CSOs are encouraged to collaborate and learn from each other. The content herein is relevant for CSOs from emerging to mature, as well as for CS Networks. As a key element of CSOs' internal systems development, which is supported by the ACT Programme through training, coaching, mentoring and peer learning, this guide endeavours to share information, additional tools and tips to enhance CSOs capacity development. ACT aims to support CSOs' capacity to become productive, effective and accountable organisations and ACT's Toolkits aim to provide supplementary support towards this.

In line with the ACT's commitment to Human Rights and Gender and Social Inclusion, it is anticipated that CSO's governance, management, projects and plans demonstrate the mainstreaming of Gender and Social Inclusion and the adoption of a Rights-based Approach.

Six Guiding Principles of Good Governance

An effective Board will provide good governance by:

1. **Understanding their roles and responsibilities**

2. **Ensuring/overseeing the delivery of the CSO's Goal/Purpose strategically**

3. **Being effective as individuals and a team**

4. **Exercising control, ensuring due diligence and compliance**

5. **Behaving with integrity, including commitment to principles of Gender and Social Inclusion (within the Board, the CSO and its programmes)**

6. **Being open, accountable and committed**

These principles are designed to be universal and applicable to all CBOs, CSOs and CSO Networks. It is the practice and procedures which will vary according to the type and size of the CSO. Underlying each principle is the additional principle of equality - that of ensuring equality, diversity and equality of treatment within the CSO and for all projects within its community/constituency base.

Introduction

The term 'governance' comes from the Greek – 'to steer'. Every institution, whether public, private or in the CSO sector, needs good governance to function effectively. Governance is the way rules, norms and actions are structured, sustained, regulated and held accountable.

Therefore, CSOs need good governance systems in place to ensure they are accountable, to enable them to grow in a systematic and values-driven way, and to ensure regulation and workable structures. The principles of good governance are based on accountability, transparency, responsibility, disclosure practices and organisational relationships among the board members and the CSO's stakeholders. The most formalised form of governance at national levels is the 'government'.

CSO Board membership can be a source of support or frustration. When they work well they can give a CSO energy and vision but, when the Board Members are not fully committed, they can create dilemmas for the CSO.

By 'the Board' we mean a group of people usually known as: Board Members/ Governors/Trustees/non-Exec Directors, who have been carefully selected for their relevant skills, experience and commitment to the sector, to have oversight of the CSO's compliance (to Government requirements, due diligence and to the CSO's Mission, Values and Strategy) as a governing body. In CSOs it may be known as the Board of Directors, Board of Governors, Board of Trustees, or the Management Committee.

It is advisable for CSOs (at all levels) to follow good governance practice:

- To ensure compliance with national and state requirements
- To strengthen their internal structure and leadership
- To provide oversight, transparency and accountability strategically
- To oversee due diligence processes
- To identify and monitor potential risks

In turn this will:

- establish organisational legitimacy
- avoid any potential crises

This Toolkit does not provide a strict checklist of CSO compliance processes which should be overseen by the Board as there is a variation of CSO registration requirements and regulations across the States of Nigeria. Effective Governance is not only guaranteed to help the CSO's organisational efficiency and effectiveness, it is increasingly a requirement of donors, so it is strongly recommended by ACT that CSOs commit to good governance, transparency and accountability to be successful and legitimate contributors to Nigeria's development process.

Key terms

Accountability is the voluntary responsibility on the part of a CSO to others who will be affected by its decisions. The precondition for accountability is the principle of transparency. For a CSO, being accountable means being in a position to demonstrate regularly that it is using available resources effectively and in line with its original objectives and not to use privileges deriving from its non-profit status for seeking personal interests. An accountable CSO should be always responsive to its members, beneficiaries and donors.

Transparency means decisions about expenditure and activities are taken and implemented in participative ways in line with rules and regulations, and those who will be affected by these decisions have access to concrete and comprehensive information about them.

Good governance describes a situation where a CSO has a leadership and management structure in charge of ensuring transparent planning, accountability and decision-making processes to realize the CSO's mission and objectives, which have been set collectively.

The importance of accountability, transparency and good governance to CSOs' legitimacy and transparency

Questions about CSOs' legitimacy and transparency have increased, as a result of:

- CSO scandals – in the absence of **good governance** oversight and control
- Lack of trust – in the absence of **transparent** processes and effective communication
- Lack of compliance with regulatory procedures – in the absence of **good governance** procedures
- CSOs being regarded as a threat by Government – in the absence of **transparency** and **accountability** (and relationship building)
- A growing disconnect between traditional CSOs, their constituents and other local level stakeholders – in the absence of participatory planning, implementation and monitoring, in other words - **accountability**
- A tough funding climate which has encouraged some CSOs to 'follow the money' and move away from their core mandates – in the absence of **good governance** oversight to align and monitor activities, and fundraising, against the Vision, Mission, Values and Objectives outlined within the strategic plan
- Competition between CSOs – lack of **transparency** (and collaboration to share and learn from each other)

² Jenny Birchall, 2019, Helpdesk Report, DFID K4D

The composition and oversight role of the Board

Try not to get worried about the roles and responsibilities of the Board of Trustees, it will all fit into place. With the right membership, Board Members should become a cohesive team, that is approachable, keen to learn and able to provide support and guidance to the CSO's ED/CEO and SMT to guide the organisational strategy, oversee compliance, uphold values, and act as good ambassadors for the CSO they govern. In every case local knowledge, relevant skills and experience, and common sense should be applied – good Board members are more effective when their knowledge and experience is based on cultural norms, alongside an appropriate skill focus (eg: skills to be an effective Treasurer or Chair, experience within the sectoral area of the CSO, etc).

A governing body in a CSO should ensure that: policies and employees' conduct are lawful and in line with the CSO's Mission, this includes: making sure that all policies and legal documents are complied with; that potential risks are identified and monitored; that all employment, finances, services and procedures that are undertaken by the CSO are in compliance with relevant laws, and are in line with the CSO's organisational objectives and approved annual/operational plans.

CSO Governance is provided by a diverse group of members (gender diversity and social inclusion is essential - reflecting society and the CSOs' constituents).

The Board members should...

- Provide oversight to the ED and Senior Management for organisational **accountability**, ensuring that all registration and Federal/State/LGA legal requirements* are met

- Keep the organisation **true to its identity,** vision and values and monitor actual progress against the CSO's Strategic Plan's Aims and Objectives

- Motivate staff, volunteers and members through exhibiting quality leadership

- Contribute to the impact of the work undertaken by the organisation, through regular engagement, support and encouragement

- Reassure stakeholders about the way the organisation is being run and providing clarity on the CSO's objectives to others, acting as an ally/ambassador

- Maintain and enhance wider public confidence in CSOs and the sector

- Investing in time and effort to strengthen the governance of CSOs is something which should take a high priority. The rewards are worth it.

- Guard against misconduct, negligence and abuse in the performance of their duties as they can be suspended (based on the type of CSO registration)

The Board has a dual mandate:

Advisory - consult with management regarding strategic direction of the CSO
Oversight - monitor CSO strategy, regulatory compliance, due diligence procedures, policy implementation, performance and finances

Effective Boards satisfy both functions

**The responsibilities of the Board are separate and distinct from those of the management
The Board has a leadership role - it does <u>not</u> manage the CSO**

Legal compliance for CSOs in Nigeria, include

(This is not a definitive list but a guide available at the time of writing – as such, CSOs need to check the current relevance and requirements with appropriate authorities at State/Federal level.)

1. Registration with either CAC/Bureau of Cooperatives/by Act of Parliament/ designated State Government MDAs, depending on what is appropriate for a particular type of CSO

2. Filing of Annual Returns and/or Statement of Affairs, as required by the particular law/regulation (eg: CAMA) under which the CSO is registered

3. Registration for TIN and filing Annual Corporation Income Tax returns with the Federal Inland Revenue Service (and obtaining Tax Clearance certificate)

4. If employing salaried staff, deducting PAYE and making PAYE returns to Federal Inland Revenue Service

5. If employing the services of contractors (eg: consultants) deduct with-holding tax at source and remit same to the Federal Inland Revenue Service

6. If the CSO's turnover in any given year is above 25 million Naira (per Finance Act 2019), register for VAT and make monthly returns to Federal Inland Revenue Service

7. Unless exempted by law, prepare and submit Audited Accounts and Annual reports as Annexure to the Annual Returns filed with the relevant regulatory agencies (CAC, FIRS, etc)

8. Register with SCUML and file returns at required intervals

9. Registration with PENCOM, if the CSO's staff strength reaches the stipulated threshold

10. Registration and filing with the Nigeria Social Insurance Trust Fund/National Housing Fund/National Health Fund/Industrial Training Fund 1

11. It is necessary to have a Child Protection Policy – clearly displayed in the CSO

12. Be aware of the CAMA[2] 2020 requirements – as non-compliance can lead to penalties

13. Trustees and members of the governing council of organisations registered under Part F of the CAMA 2020 are not to hold salaried position and should avoid doing so

14. There is also a recognition that CSO Networks and Platforms should support their Members to comply with registration regulations

15. Ensure that the contents of the organisation's governing document (constitution, articles of association, etc.) comply with the provisions of the relevant laws

(In addition, it is recommended that the CSOs ensure that they also comply with other national, State and LGA laws/requirements.)

Common challenges faced by CSOs, relating to good Governance[3]

• Ensuring that the Board members understand all the legal processes that the CSO must undertake to register and to comply with Federal, State and LGA requirements

• Finding the best way forward - from the vision of the CSO to a shared understanding of the values of the CSO, as it develops and grows

• An over-dependence on a few committed Board members can lead to a lack of fresh thinking and new perspectives at Board level

• A strong and committed Board, bringing relevant skills and experience - but they are too busy to meet, and thus unable to fully engage with the CSO's strategy, progress and challenges, on a regular basis

• Limited understanding of the skills, experience required by Board members, or of their governance roles and responsibilities

• The need to 'professionalise' the Board members – to facilitate effective management of its responsibilities and enable it to operate at the strategic level

• The need to ensure a formal 'tenure of office' (eg: three/four years), which can be renewed once, but enables long-term members to move on, and fresh blood to be recruited

• Board membership is a voluntary role – this can make members feel detached from the ED or staff; it may be agreed to provide travel expenses to attend meetings, but paid work for the CSO would be regarded as a conflict of interest

• The Board wants to be too involved at operational level, rather than focusing on monitoring compliance and strategic level progress (IF there is a lack of resources and staff, it may mean that the Board members themselves act as 'volunteer experts' rather than in their governance roles – if they provide support, it must remain in a voluntary capacity)

• Dealing with the dynamics of the Board members can be time-consuming, managing strong personalities can

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be difficult; it is important to build a strong and cohesive team for joint decision-making

- Ensuring that the Board is 'self-critical' – they need to regularly reflect more on their own practice and how they can improve their support to the CSO by listening to the staff

- 'Friends and contacts' of the ED often act as Board members, but do not always have the skills or experience required to act on a CSO Governing body, and aren't able to hold the CSO accountable to its mission and values

Good governance should be attractive to all CSOs and their leadership team- as it supports their sustainability and credibility, it builds a positive reputation and a healthy culture within a CSO.

Good governance contributes to transparency, accountability, an enabling environment for organisational development, due diligence processes, effectiveness and efficiency.

A shared understanding of 'Governance'

It is important to check that Board members/staff/volunteers within your CSO have a shared understanding about Governance. This means ensuring that there is clarity on:

a. What the term 'Governance' means

b. The roles and responsibilities of the Board and the CSO's ED/CEO

c. The role of Governance in safeguarding, promoting values and Gender and Social Inclusion.

a) The term 'Governance'

The term 'Governance' refers primarily to the Board of a CSO that meets regularly to oversee the organisation's leadership and progress in line with its Values, Strategy and Resources. Feedback from a Network of CSOs stated that:

Governance is about ensuring that an organisation is effectively and properly run.

Good governance is the Board's responsibility... it covers more than the Board's duties and responsibilities. It includes how the Board members are appointed and supported: how it works to ensure decisions are taken properly, and that the work of the CSO is effective and furthering its purposes...

Other aspects of Governance that may be of particular interest to CSOs are:

- The Board safeguards and promotes the CSO's identity

- The Board appoints the ED/CEO (if not the founder) and holds the ED/CEO to account from the perspective of the CSOs' beneficiaries (against: the CSO's Vision, Mission, Values, Goals, Purpose, Objectives – Strategy, making sure s/he is effective in their role).

b) Roles and responsibilities of the Board Members

- Being clear on the Board's responsibilities is an absolute 'must' for any CSO.

Trustees must accept ultimate responsibility for directing the affairs of a CSO, and ensuring that it is solvent, well-run and delivering its Outcomes for the benefit of those for which it has been set up.

The formal, legal responsibilities of the Board include:

1. 'Duty of compliance':

- With CSO/NGO Legislation and Regulations (Nigerian Federal and State requirements)

- With the requirements of other Legislation and Regulations, which govern the CSO's activities (employment policies, terms and conditions, taxes, etc)

With the CSO's Constitution/Articles of Association; Goal, Purpose and Objectives of the CSO's governing document (Strategy)

2. 'Duty of prudence':

Which essentially means taking good care of the CSO's funds and assets and not putting them at undue risk.

3. 'Duty of care':

Which means that Board members need to use reasonable care and skill to ensure the CSO is well-run and efficient, getting outside advice when necessary.

In addition to the formal/legal responsibilities:

Whilst it is essential to be clear on the formal and legal responsibilities, it is equally crucial to be clear on the role of a Board in order to maximise their contributions. Many Boards under-perform by not understanding their role and failing to carry out their primary role of attending to the CSO's organisational strategy and the long term-view, rather than focusing on operations and short-term concerns.

When considering the Governance role in relation to the role of Management, there is sometimes a fine line between the two. There are areas where there may be overlap between what Board members do and what staff do, and the boundaries between the two are not always that clear. It may require Board members to stand back and asking themselves, 'Is what I am doing appropriate to my role as a Board Member?' (Sometimes the answer is – 'No'.) The roles, of governance and management – are two quite separate roles.

Whilst the Chair and ED/CEO have a level of collective responsibility for the leadership of the CSO and for promoting the highest standards of integrity and probity, there is a clear division of accountability and responsibility between the Chair and the ED and each plays a distinctive role, but complementing each other, to ensure that there is a balance of power and no individual has unchecked powers of decision and control, see below:

Governance -v- Management Roles and Responsibilities

BOARD OF GOVERNORS/CHAIR	CSO – EXECUTIVE DIRECTOR/CHIEF EXEC OFFICER
Non-Executive Directors/Trustees as provided under the Articles of Association	An ex-officio Board Member, as provided under the Articles of Association
Non-operational	**Operational**
• Provides leadership and governance of the Board so as to create the conditions for Board's effectiveness, and ensures that all key and appropriate CSO issues are discussed and, if necessary, approved by the Board in a timely manner	• Leads the management in the day-to-day running of the CSO/CS Network in accordance with the policies, strategic and operational plans and within the budgets approved by the Board
• Promotes effective relationships and open communication, and creates an environment that allows constructive debates and challenges, both inside and outside the boardroom, between Board members and the CSO's management	• Leads and manages operations to ensure effective working relationships with the Chair and the Board members, by meeting or communicating with the Chair on a regular basis to review key developments, issues, opportunities and concerns
• Ensures that the Board as a whole plays a constructive part in the development and determination of the CSO's strategies and policies, and that Board decisions taken are in the CSO's best interests and reflect Board's consensus	• Develops and proposes the CSO's strategies, plans, budgets and policies for the Board's approval. • Develops the Board Meeting Agenda with the Chair, ensure that meetings are minuted and the Minutes are shared with the Board for approval and filed safely, and shares the documents with the Members in advance of meetings.

• Ensures that the strategies and policies agreed by the Board are effectively implemented by the CSO management	• Implements, with the support of the management, the strategies and policies as approved by the Board and its committees in pursuit of the CSO's objectives and staff terms of reference
• Sets, in consultation with the ED, the Board meeting schedule and agenda to take full account of the important issues facing the CSO and the concerns of all Board members and Chairs the meetings ensuring that adequate time is available for thorough discussion of critical and strategic issues	• Maintains regular dialogue with the Chair on important and strategic issues facing the CSO, and ensures these issues are brought to the Board's attention
• Oversees that the Board members are properly briefed on issues arising at Board meetings and receives, in a timely manner, adequate information which must be accurate, clear, complete and reliable, to fulfil its duties, eg: reports on the CSO's performance, up-to-date financial reports/accounts/audits; details of specific issues, challenges and opportunities facing the CSO, and decisions required.	• Aligning with the Board, the ED/SMT ensures that the SMT give appropriate priority to the provision of timely reports to the Board, which contain relevant, accurate, and clear information necessary for the Board to fulfil its oversight duties.
• The Chair provides information/supports the recruitment of new Board members, as required. The Chair inducts new members on their roles and responsibilities, and the requirements of the Board in relation to commitment and availability	• The ED, with the Chair, recruits new Members to the Board, based on agreed skills and experience required for key roles. The CSO introduces new Board members through an 'Induction' process on the CSO's vision, mission, values; strategy; staffing; resources; projects; etc. CSO ensures that they record details of each Board Member, date and term of office, their relevance for the role files a signed Conflict of Interest statement, in line CSO transparency and regulatory frameworks.
• Arranges informal meetings of the Board members at least bi-annually, including meetings of the Trustees at which the ED is not present, and ensures that sufficient time and consideration is given to complex, contentious or sensitive issues (often sub-committee groups are approved to support the CSO on specific issues between Board meetings (eg: Fundraising)	• Ensures that the Board, especially the Chair, is alerted to forthcoming complex, contentious or sensitive issues affecting the CSO.
• Establishes good governance practices and procedures and promotes the highest standards of integrity, probity and corporate governance throughout the CSO and at Board level	• Conducts the affairs of the CSO in accordance with the practices and procedures adopted by the Board and promotes the highest standards of integrity, probity and corporate governance within the CSO. Alerts the Board of any safeguarding issues (within the CSO or partners) or other issues relating to due diligence.

The main point here is that there should be a **clear understanding** of the appropriate roles for each set of 'non-operational' and 'operational actors'. There needs to be regular dialogue - where it is felt that Board members might be too involved when it is **not their role,** or not involved enough when **it is their role** – **or where collaboration and advice is required.**

c) Safeguarding and promoting the values of the CSO

The final area where it is important to build a shared understanding is in how the Governance function can effectively safeguard its staff and constituents/partners, and promote the values they hold dear.

The values seen in the roots of the CSO are those that inspired people to get together in the first place, for example: that women, girls and people with disabilities should be able to exercise their right to equality.

These values are also expressed in what the CSO does and how it does it – the Objectives and Activities, for example: the value placed on women, girls and people with disabilities accessing their rights, could be demonstrated in ways of working that encourages initiative and collaboration with others.

Finally, the CSO's values can be seen as the Goal of its efforts – the 'end' it is working towards, eg: that can be expressed as a wish 'to see a society where everyone, including women, girls and people with disabilities, have the opportunity to exercise their fundamental rights'.

But how often does the CSO talk in this way? How often does the CSO check the 'fit' between the decisions they make and the values it stands for? Building a shared understanding that Governance is about **safeguarding and promoting the CSO's values** means that CSOs need Board members need to ensure that **values** are **at the heart of everything they do.**

Board Management

Here we are referring to several aspects of managing the Board:

a. Ensuring the right mix of skills, experiences, gender, and perspectives are on the Board

b. Investing in Board development

c. Ensuring continuous learning and reflection, with Board members

There are other aspects of Board management which focus more on its structure, practical functions and ways of working.

a) Skills, experience and perspectives

- Diversity is often a problem in Boards – if possible try to ensure that there is representation and perspective; there are relevant skills and experience and it reflects diversity, eg: gender, disability, age, ethnicity, etc – as in the community groups supported by the CSO.

- It is well documented that diverse groups make better decisions.

- Consider recruiting Board members formally, and not depending on those from the CSO's own networks which can perpetuate the lack of diversity and experience. This can also lead to lack of legitimacy and transparency.

- If there are skills gaps – consider key functional areas required by the CSO (eg: financial expertise to ensure due diligence processes are in place, good financial management and audit oversight and access to advice on compliance issues).

- Ensure there are sufficient Board members with an understanding of the vision, having a commitment to the sectoral work of the CSO and understand the role of CSOs in democratic governance.

- A poorly skilled Board can bring a good CSO down.

- Boards with a good range of skills, experience and perspectives can make well-rounded decisions.

- Strong leadership skills (within the Board) and expertise (eg: financial management and human resources) can help the CSO to seize opportunities and navigate difficulties.

- Being a Board member brings personal and professional benefits so it should be possible to attract a wider group of people.

- Try open recruitment (with very specific ToR).

b) Trustee and Board Development

It is important to ensure that those people selected to be trustees are helped to contribute as much as they can, both individually and collectively. It starts with the CSO Induction Programme – something which is key to ensuring the individual Board member is able to perform to their best, with a clear understanding of the CSO's values, background, purpose and strategy. New trustees need to get to know the CSO, its people and its programme of work. If it is not possible for the Trustees to visit the work, then a thorough briefing about the programme of work and its successes and challenges will be essential before the new Board member attends their first Board meeting.

The CSO should consider the following:

Why do you want to have better Governance?
Eg: can the CSO improve its accountability, transparency, due diligence procedures, compliance processes, strategic oversight?

Are you under pressure to improve your Governance?
Eg: from the CSO's funders or, for a CSO Network, from the membership?

What results do you want from improving your Governance?
Eg: does the CSO need a more skilled and more committed group of trustees, better overarching leadership support and guidance?

Which aspects of your Governance do you most want to improve?
Eg: does the CSO want to focus on revising Strategy or Constitutional support?

c) Ongoing learning and reflection

Ensuring that the Board members are continually learning and reflecting will contribute to their effective performance. Things to think about doing include:

- Have a short agenda point at the end of each Board meeting when the Board can reflect on how the meeting went, what went well and suggestions for improvements for the next meeting.

- Ensure that at each meeting there is time for one agenda item which will inform Board members about an exciting aspect/outcome of the work of the CSO since the last meeting; share stories of change to increase involvement, pride and motivation.

- Make sure that Board members are invited to participate in relevant strategy and programme discussions and updates that staff are engaged in. This needs to be carefully managed and appropriate moments identified for their participation, but Board members generally really appreciate the chance to participate and to learn from the staff/partners about specific Outcomes (without leading the staff).

Overall, it is important to be sure that the ED/CEO has oversight on the functioning of the Board, and vice versa. The Chair and ED/CEO should meet together regularly (not just at Board meetings). The Chair is, in effect, the line-manager of the ED/CEO; it is the role of the Chair to oversee that the ED/CEO is doing their job well, and is performing according to approved operational plans, but not to engage at an operational level.

Relational Dynamics

Ultimately, good governance is all about the CSO, ie: the individual human beings who make up the Governance and CSO leadership team - and how they relate to each other and to others. It is about:

a. The internal dynamics within the Board

As with any group, there may be power dynamics to manage, communication strengths and relationships. The Board is a 'team' who need to communicate and make decisions together. The Chair has the specific internal responsibility for ensuring that meetings are productive and well organised, and s/he must represent the CSO to the outside world. Being prepared to be held accountable for the CSO is part of the responsibility of the Board members.

b. The working relationship between the Board and the ED/Senior Staff

This is a critical relationship and when it works well the CSO can benefit hugely. Building an effective working relationship and mutual respect can be helped by:

- The roles of both ED/CEO and Chair are clear, and grey areas are discussed.

- The line of accountability of the ED/CEO to the Chair is clear, agreed and there is a regular process of support and supervision.

- A yearly appraisal of the ED/CEO should be led by the Chair

- The Chair should not micro-manage the ED/CEO

c. The quality of relationship between the Board and the staff

Whilst the Chair-ED/CEO relationship is key, consideration needs to be given to building relationships across all levels of the CSO. Care should be taken by Board members to ensure they take the opportunity to get to know a range of staff/volunteers, and their roles.

Practical Tips for the CSO

- The Board should be encouraged to carry out a simple **self-evaluation of their performance** and discuss the results, and areas they can improve on, openly with each other (annually).

- Be open to **learn from others/peer-to-peer learning** – identify some **similar-sized organisations** who seem to have effective Boards and ask them about their experience, seek out tips and good practice examples; build on best practice. Don't reinvent the wheel – ask to see templates of useful documents such as CSO Governance Procedures – and Policies, such as codes of conduct; conflict of interest policy, etc (a simple copy and paste is discouraged, but they can be used as a guide).

- Invest in **quality time together.** Don't just rely on the regular Board meetings as sufficient to form an effective leadership team – they always have crammed agendas and people often feel under pressure. If possible, the CSO should hold annual away days for the Board and senior staff to go deeper into key issues and to get to know each other better – invite the Board members to celebrate the CSOs' achievement with staff and volunteers.

- **Bring it all to life!** Don't forget that enthusiastic and motivated Board members can do a lot to promote the CSO's values and mission externally (and influence donors), but they need to get a feeling for what it is that the CSO is achieving in ways which speak to them beyond the rather dry and formal Board reports.

Conclusion

Good Governance is something that is achievable by the CSO, by taking practical steps. Knowing the basics around the legal and formal requirements is a good start, and the Board should help the CSO to comply with these. Having a shared understanding of the different roles and responsibilities is another basic building block for the CSO. Ensuring the procedures and mechanisms are in place that will facilitate effective governance is another area for on-going attention.

Fundamentally, good governance is about people. It is the human dimension that counts the most. The shared values, the commitment made by Board members and staff alike, and the way people work together towards the achievement of the shared vision of the CSO.

GLOSSARY

Accountability

Accountability implies a willingness to be judged for the honest and ethical conduct of the CSO towards others. As such, it means being answerable to the actions and decisions made by the CSO (Board).

Board Members/Trustees

Board Members or the Board of Trustees, is responsible for governing the CSO. They have overall authority and responsibility for the approval of organisational policies, procedures and regulations and monitor the CSOs financial health, programmes and overall performance.

Duty of Care

This is the moral or legal obligation of the Trustees/Board Members to ensure the safety and well-being of others engaged with or by the CSO, and ensuring that decisions are taken that are well considered and based on appropriate guidance, if necessary.

Duty of Compliance

The role of the Trustees/Board Members is to ensure that the CSO understands and complies with relevant government regulations.

Duty of Prudence

The Trustees/Board Members have responsibility to take good care of the CSO's resources and assets and to ensure that they are not put at risk.

G&SI

Gender and Social Inclusion (G&SI) is a concept that addresses improved equal access for all, including women, girls, youth, poor people, people with disabilities, ethnic minority groups, older people, children, LGBTQI, etc – those people who are traditionally excluded from development initiatives. It supports more inclusive policies and mindsets and increases voice and influence by all.

Governance

Governance encompasses the system by which a CSO is controlled and operates, and the mechanisms which holds it to account. Ethics, risk management, compliance, due diligence and administration are all elements of good governance.

Safeguarding

It is the duty of the Board Members/Trustees to ensure that there is an organisational policy in place that protects the well-being and human rights of individuals – including staff and beneficiaries, and particularly vulnerable adults and children – to live free from bullying, abuse or harm.

Stakeholders

All those people/organisations, including all those beneficiaries, government, non-government, private sector and donors, who have an interest in any decision or activity of the CSO.

Transparency

Being transparent means being honest and open when communicating with stakeholders about all matters relating to the CSO. It forms the basis of trust between a CSO and its stakeholders, partners and employees.

References/Sources of Information

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https://assets.publishing.service.gov.uk/media/5c6c2e74e5274a72bc45240e/488_What_is_Civil_Society.pdf

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