



CODE OF CONDUCT FOR BOARD AND COMMITTEE MEMBERS

Date Effective: 19 September 2017
Policy Due For Review By: September 2020



Policy:	Code of Conduct for Board and Committee Members
Date Approved:	19 September 2017
Approved By:	Board
Applicable to:	Board and Committee Members of the Association
Lead Director:	Managing Director
In consultation with:	Irvine Housing Association Board Members
Review Date:	September 2020

1 GENERAL OBLIGATIONS

1.1 The Association complies with the provisions of the Scottish Federation of Housing Association's "Model Code of Conduct, which requires the Association to have guidance and procedures in relation to conduct and probity matters to achieve the highest standards of business conduct.

1.2 This Code of Conduct applies to all Board and Committee Members of the Association, and any references in this Code of Conduct to 'Board Members' include the Association, Subsidiary Board Members, and Co-optees.

1.3 The phrase 'close connection' where used in this Code includes husband, wife, civil partner, partner, fiancé, parent, grandparent, child, grandchild, brother, sister, and their partners, close friend and could include other relationships, such as an aunt or uncle, nieces and nephews and their partners, other friends (e.g. someone acquainted with socially, neighbours, business contacts/associates) if there is a sufficient degree of closeness. The onus is on the individual to disclose the relationship where there is any doubt.

1.4 Board and Committee Members should observe the following seven principles which are recognised as providing a framework for good governance:

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

1.5 Board and Committee Members should:

1.5.1 Support the Vision and Values of the Association and promote the interests of the Association and its tenants, residents and service users in the wider community;

1.5.2 Comply with relevant legal and regulatory requirements (including those of the Scottish Housing Regulator, the Office of the Scottish Charity Regulator, the Financial Conduct Authority and the Care Inspectorate, the Association's Rules, the Association's Governance Framework Document, and relevant policies and procedures;

1.5.3 Behave with the highest standards of conduct, integrity and probity as befitting a Board Member at all times;

1.5.4 Work co-operatively in the best interests of the Association;

1.5.5 Promote equality and diversity;

1.5.6 Attend all meetings of the Board and/or its Committees, arriving on time and leaving at the end wherever possible; and

1.5.7 Take or seek opportunities to enhance their effectiveness through participation in induction courses, training and development programmes and by increasing their knowledge of the Association, Riverside and issues affecting the sector.

2 COMMUNICATIONS WITHIN THE BOARD

2.1 Board and Committee Members will at all times:

2.1.1 Ensure that all Members have the opportunity to make a contribution and have their opinions treated with respect;

2.1.2 Be polite and courteous to each other and conduct business in a controlled manner. However difficult or heartfelt the context, aggressive or inappropriate language or behaviour, whether at Board Meetings or in any other circumstance connected with the Association is not acceptable;

2.1.3 Focus on the issues of running the Association in a conscientious and positive manner;

2.1.4 Make decisions for the benefit of the Association as a “team”, supporting each other and accepting shared responsibility;

2.1.5 Understand that there will be times when not everyone agrees with the decisions made and therefore should not take things personally;

2.1.6 Respect the role of the Chair and the usual protocol of directing comments through him/her; and

2.1.7 Encourage each other to enjoy participation without the fear of making a mistake.

3 COMMUNICATION WITH EXECUTIVE STAFF

3.1 Working relationships should be constructive and effective.

3.2 Neither Board nor Committee Members, nor employees should use informal channels to exert improper influence on matters of Board business.

4 CONFIDENTIALITY

4.1 Board and Committee Members must respect the confidentiality of those items of business which the Board decides from time to time should remain confidential, and the contents of reports and documents specifically marked “confidential”.

4.2 It may be necessary to communicate with other Board or Committee Members and/or employees about members of staff, tenants or service users. Any communication, whether oral or in writing, must be treated in strict confidence and not discussed with any third party, including Board/Committee Members or members of staff, who do not need to know the material facts in order to assist them with their work or duties.

4.3 A Board or Committee Member must not disclose information given to him or her in confidence, or information acquired which he/she (acting reasonably) believes is of a confidential nature, without the consent of a person authorised to give it, or unless he or she is required by law to do so; nor prevent another person from gaining access to information to which that person is entitled by law.

4.4 If a Board or Committee Member wishes to disclose information to any party, and has any doubts as to whether the information concerned is confidential, then advice must be sought from the Chair of the Board or the relevant Committee prior to any such disclosure.

5 COLLECTIVE DECISION MAKING

5.1 Once a matter is determined by the Board or Committee, individual Board and Committee members are expected to be bound by the collective decision of the Board. It is acknowledged that differences of opinion may arise in discussion of issues but, when a majority decision of the Board or Committee prevails, it should be supported outside the Board Meeting. Failure to support Board decisions outwith the meeting is considered as being serious misconduct.

5.2 In exceptional circumstances where a Board or Committee Member has concerns about the running of the organisation or a proposed action (for example where the Board Member or Committee Member considers that the Board or Committee is about to act illegally), their concerns should be minuted, and should the Board or Committee Member resign, he/she should be able to provide a statement to the Chair for circulation if he/she felt it necessary. The Association has a

Whistleblowing Procedure (referred to in paragraph 17 below) which may be appropriate for Board or Committee Members to use in such circumstances.

5.3 In exceptional circumstances, where they judge it necessary to discharge their responsibilities as directors, all non-executives should be entitled to professional advice at the Association's expense. Such advice would only be available at the Association's expense with the prior written consent of the Chair of the Board, in liaison with the Company Secretary, whose consent would only be given in exceptional circumstances.

6 NON-REPRESENTATION

6.1 Board and Committee Members nominated by particular groups or organisations should not speak or vote at meetings as if delegated by the group or organisation which has nominated them. A Board or Committee Member should base his or her view of matters before the Board on an honest assessment of the available facts, unbiased by partisan or representative views.

7 REPRESENTING THE ORGANISATION

7.1 Board and Committee Members must not in their official capacity, or any other circumstance, conduct themselves in a manner which could reasonably be regarded as bringing the Association into disrepute.

7.2 Board and Committee Members must not impart to the press, to any other party, or via social media or the internet, critical or negative information about the Board of the Association or Riverside, its stakeholders or its partners. If circumstances occur where the Board or Committee Member has serious concerns and feels it incumbent to disclose such information to a party outside the relevant Board, the Association's Whistleblowing Procedure (referred to in paragraph 17 of this Code of Conduct) should be followed.

7.3 Only the following persons should make statements to the press or to any other third parties on behalf of the Board unless the Board approves otherwise:

7.3.1 the Chair of the Association or the Managing Director of the Association or other officer so delegated by the Managing Director.

7.3.2 Subsidiaries – the Chair of the Association or the Managing Director of the Association.

7.4 Such statements should be in accordance with the Riverside Group Media Guidelines.

8 GRANT OF BENEFITS FROM GROUP ORGANISATIONS

8.1 Decisions concerning the grant of benefits to Board or Committee Members, and those closely connected to them, may involve reputational risk for the Association. Accordingly, decisions relating to benefits for these individuals, and/or to any business trading for profit with which they are connected, must be made in accordance with Table 1 – ‘Grant of Benefits’ (Appendix 1) which sets out the decision-making requirements.

8.2 In line with the Scottish Housing Regulator’s Regulatory Standards, a register of interests which will include some of this information is presented to Board annually and is published annually on the external website.

8.3 It is not possible to provide guidance for every situation which may occur, and where there is any doubt, the Association’s values, the reputation of the Association and the Nolan principles referred to above should guide decision-making.

8.4 Where a decision in relation to the grant of a benefit is taken by the Board, the decision should be recorded in the minutes. In other cases, there is no need to report the provision of social or welfare benefits to the Board, save in exceptional or controversial circumstances.

8.5 The provision of significant hospitality or gifts to Association Board or Committee Members, to Association staff, or to third parties, by the Association, must be authorised by the Board, a Committee of the Board, a meeting of the Executive Team, or the Managing Director. For the purposes of this paragraph ‘significant’ means costing over £100 per person for hospitality or £300 for gifts.

8.6 The Company Secretary must be notified in writing of any benefits awarded by the Association to any Board or Committee Member or to those closely connected to them so that the information can be recorded in the register maintained for that purpose. The register will be presented to Board annually, made available for inspection by the Scottish Housing Regulator and others with a legitimate interest in the affairs of the organisation.

9 GIFTS AND HOSPITALITY FROM OTHER PEOPLE OR ORGANISATIONS

9.1 As a general rule, personal gifts to Board or Committee Members should not be accepted apart from trivial, inexpensive items such as pens, diaries, calendars, or single bottles of wine or spirits, provided that they are given as a goodwill gesture, or small gifts of appreciation (e.g. flowers or small boxes of chocolates) where refusal

would genuinely cause offence. The soliciting of gifts, favours or legacies by Board or Committee Members is prohibited.

9.2 In particular, excessive gifts from suppliers or contractors should never be accepted. They should either be returned or donated to charity and a letter should be sent to the supplier or contractor concerned notifying them of this.

9.3 Board and Committee Members should not accept lavish hospitality, in particular entertainment, or any hospitality, which could be interpreted as a means of exerting an improper influence over the business of the Association.

9.4 If Board or Committee Members have any doubt whatsoever on accepting gifts or hospitality, they should seek the specific clearance of the Chair. The Company Secretary will be pleased to provide general guidance for Board and Committee Members on request.

9.5 Within 28 days of receiving any gift or hospitality estimated to have cost over the value of £100 from a party outside the Association, a Board or Committee Member should provide written notification to the Company Secretary of the existence and nature of that gift or hospitality so that the information can be recorded in the register maintained for that purpose. The register will be presented to Board annually, made available for inspection by the Scottish Housing Regulator and others with a legitimate interest in the affairs of the organisation. Gifts or hospitality may have or appear to have a bearing on the Board or Committee Member's impartiality and responsibility in relation to the Association. In case of doubt, it is always wiser to make a declaration, even where the estimated value of the gift or hospitality is less than £100.

10 PERSONAL INTERESTS

10.1 The Association respects the right of individuals to have interests outside of the Association and recognises that the skills, knowledge and experience which they can bring to the Association from external activities can often be of great value to their role within the Association.

10.2 However, Board and Committee Members must not put themselves in a position where their personal interests, or their duties to other organisations or bodies, conflict, or might conflict, with the duty which they owe to the Association.

10.3 Board and Committee Members must not in their official capacity, or any other circumstance, use their position as a Board or Committee Member improperly to confer on or secure for themselves or for any other person, an advantage or disadvantage.

10.4 Board and Committee Members should be meticulous about declaring any actual or potential conflicts or duality of interests, or interests which could reasonably

be perceived to exist, affecting themselves, their family, friends, business colleagues or associates. The test is whether an interest might reasonably be thought to have influenced an outcome, as well as whether it actually did. Such interests or potential interests may include both financial and non-financial situations and must be declared in accordance with the requirements of this Code of Conduct.

10.5 When changes occur in either their own interests or those of a person closely connected to them, which give rise to a potentially serious or continuing conflict with those of the Association, Board and Committee Members should review their continuing membership and, if necessary, take advice on whether they should stand down.

10.6 Conflicts of interest should be managed to avoid any financial or non-financial personal gain (whether real or capable of being perceived) to Board Members or to any person or body connected to them (such as their family, friends and business colleagues).

11 REGISTERING INTERESTS

11.1 Within 28 days of appointment, a Board or Committee Member must register his or her interests in the Association's Register of Interests by providing written notification to the Company Secretary of:

- a. Membership of other bodies, such as partnerships and voluntary organisations or other relevant bodies;
- b. Being an officer or elected member of any statutory body;
- c. Membership of a local authority, another public body, or another association or unregistered 'not for profit' body with interests in the area of operation of the Association;
- d. Directorships, or being an officer of other companies;
- e. Any interest as the owner or controller of more than 2% of a company, the shares in which are publicly quoted, or more than 10% of any other company;
- f. Membership of a campaigning, residents' or community organisation which has interests in the business and/or operation of the Association;
- g. membership of political parties and pressure groups;
- h. Relationship with, or to any of the following people connected with the Association:
- i. Any Board or Committee Member;

- ii. Any employee; or
- iii. Any tenant of any property which the Association owns or manages.
- i. Any occupation which the Board/Committee Member (or a close connection, or business in which they are concerned) has of any property which the Association owns or manages;
- j. Any close connection with any person or organisation which uses a contractor that the Association also uses;
- k. The address or other description (sufficient to identify the location) of any land in which he/she has a beneficial interest and which is in an area in which the Association operates; and
- l. Any other interest that might conflict with their interests, obligations and duties with the Association.

11.2 The above list is not exhaustive and it is the duty of the individual Board or Committee Member to ensure that any circumstances where there is a conflict, or potential conflict, of interest are reported to the Company Secretary.

11.3 Membership of other Boards or Committees within the same group structure is required to be declared under the, and this is achieved by the Board noting these interests once per annum, however it is still necessary to make a declaration at a meeting should an item of business arise which involves, or could be perceived to involve, an internal conflict.

11.4 Within 28 days of becoming aware of any changes to the interests specified above, a Board or Committee Member should provide written notification to the Company Secretary of that change.

11.5 The register of interests is published annually on the external website.

12 DISCLOSURE OF INTERESTS AT MEETINGS

12.1 A Board or Committee Member should abstain from discussion and/or voting in relation to any matter in which they have, or could reasonably be perceived to have an interest. He or she must disclose to that meeting the existence and nature of that interest at the commencement the meeting, or when the interest becomes apparent (whether or not the Board or Committee Member has also made a written declaration).

12.2 The Board Member should not remain present unless requested to do so by the Board or Committee.

12.3 If a conflict of interest is clear and substantial the Board or Committee Member must:

- a. withdraw from the room where a meeting is being held whenever it becomes apparent that the matter is being considered at that meeting;
- b. not seek improperly to influence a decision about that matter; and
- c. not vote, or be counted towards the quorum necessary for taking a decision, in relation to the matter in question.

12.4 For the avoidance of doubt, Board or Committee Members who are tenants or residents of the organisation should regard matters specifically concerning their individual circumstances as a clear and substantial conflict; matters affecting tenants or residents more generally need to be declared only where they create a specific conflict of interest.

13 USING CONSULTANTS, SUPPLIERS AND CONTRACTORS

13.1 Where the potential for a conflict of interests exists - e.g., in the personal use of a consultant, supplier, contractor or sub-contractor used by the Association, a Board or Committee Member should not employ such consultants, suppliers, contractors or sub-contractors, except where:

- a. The individual can demonstrate that there is a clear and unambiguous separation between their personal purchasing decision and decisions made on behalf of the Association;
- b. They can demonstrate that there is no reasonable or practicable alternative in the circumstances (e.g., emergencies, local scarcity, lack of equivalent expertise, national organisation);
- c. They can demonstrate that no preferential treatment is given or received; and
- d. In cases where there is any doubt or concern, the matter is declared to the Company Secretary for recording in the relevant register of interests.

14 BRIBERY ACT 2010

14.1 Board and Committee Members should be aware that it is a criminal offence:

14.1.1 To offer, promise, or give a financial or other advantage intending it to induce a person to do something improper, or to reward someone for behaving improperly; or

14.1.2 To request, agree to receive, or accept, a financial or other advantage intending that a function should be performed improperly, or in anticipation, or as a reward, for improper performance.

14.2 Many provisions of this Code of Conduct, such as the requirement to register gifts and hospitality and the avoidance of using the Association's contractors for personal work, are intended as measures to assist in the prevention of bribery. However, should a Board or Committee Member have any suspicions or knowledge that bribery or attempted bribery is occurring he or she should report it the Company Secretary or use the Association's Whistleblowing procedure (see section 17) as soon as practicable.

15 OFFENCES/LEGAL ACTIONS AND CONFLICTS OF INTEREST

15.1 The Association is committed to assisting with the rehabilitation of offenders where possible, however, there may be cases when it is considered inappropriate for persons accused or convicted of particular offences to remain in the position of authority accorded to a Board or Committee Member. Should this happen, each individual case will be considered by the Board on its merits, but individuals should be aware that they may be suspended pending the outcome of the court case, or required to resign from the Board or Committee, should the Board consider it necessary to protect the Association, or any of its tenants, residents or employees.

15.2 Any Board or Committee Member who is or becomes a party to a dispute or legal action involving the Association may be suspended from serving as a Board, or Committee Member until the dispute is resolved or the legal action is concluded.

15.3 Should a conflict of interest with the Association, or any other circumstances arise in connection with a Board or Committee Member, and the Board considers that it is in the best interests of the Association for the Board or Committee Member to be suspended, then the person may be suspended until the matter is resolved to the Board's satisfaction.

16 TENANT BOARD AND COMMITTEE MEMBERS – BREACH OF TENANCY

16.1 Tenants who offer themselves for selection as Members of the Board or any Committee within the Association should have a good record of complying with tenancy conditions. If they are in serious breach of any condition, but particularly in regard to rent payment or neighbour nuisance, then they cannot be selected for Board or Committee Membership. The issuing of a Notice of Proceedings for Possession ("NOP") or obtaining a Recovery of Possession ("ROP") order is always classed as a serious breach of tenancy conditions. 'Technical' rent arrears due to Housing Benefit will normally be discounted, unless any delay in payment is the tenant's responsibility.

16.2 If an NOP is issued while the tenant is a Member of the Association's Board or Committee then the tenant will be suspended from his/her Board or Committee Membership until the case is heard by the court and the outcome known.

16.3 In any such proceedings, should the court find against a Board or Committee Member who is a tenant, then that tenant should be disqualified from the Board or Committee.

17 WHISTLEBLOWING PROCEDURE

17.1 Should a Board or Committee Member become aware of any conduct by an employee, or by another Board or Committee Member which he or she reasonably believes involves a failure to comply with the Association's Code of Conduct, or become aware of any other matter of serious concern such as fraud or corruption, he or she should report it to the Managing Director or the Chair. Financial concerns should be directed to the Chair of the Audit & Risk Committee. To contact the Managing Director or these Board Members, a letter may be passed to the Company Secretary marked 'Private and confidential to be opened by addressee only'. Should a Board Member not feel able to report this matter to the officials mentioned above, the matter should be referred to the Group's Company Secretary or the Scottish Housing Regulator.

18 EXPENSES INCURRED BY BOARD MEMBERS

18.1 The Association does not wish Board Members or other volunteers to be out of pocket as a result of their contribution to the Association's activities. Expenses incurred in carrying out approved duties may be claimed (using a Board Member Expenses Form, available from the Governance and Company Secretarial Assistant, and on production of receipts where appropriate) as follows:

- a. Travel to Meetings - Reasonable travel costs will be reimbursed by the Association. Taxis may be used when there is no alternative. In addition, the cost of other ancillary and essential costs incurred, such as parking expenses may be claimed.
- b. Subsistence - Reasonable expenses may be claimed for refreshment if none is provided and the member is away from home over four hours.
- c. Telephone - At cost.
- d. Conferences and Training - If a Board Member is an appointed delegate or representative, fees and accommodation booked by the Association will be paid direct. Otherwise they may be claimed on production of a booking form or receipt. Travelling expenses for such events will also be met.
- e. Caring responsibilities – Board or Committee Members who incur child care or other care costs to enable them to carry out approved duties will be entitled to

have reasonable costs reimbursed by the Association. This is subject to the prior agreement of the Chair.

19 DISCIPLINARY MATTERS

19.1 The Association requires high standards from its Board and Committee Members and in the event that a Board or Committee Member fails to comply with the provisions of this Code of Conduct, or contravenes or undermines the aims and standards of the Association, disciplinary action may be taken in accordance with the Association's Guidance on Poor Performance and Misconduct of Board Members (Appendix 2).

CONTACT DETAILS

The Company Secretary is Paul Hillard, Managing Director, telephone: 01294 316781, email: paul.hillard@irvineha.co.uk, address: 44-46 Bank Street, Irvine, Ayrshire, KA12 0LP.

I CONFIRM THAT I HAVE READ AND UNDERSTOOD THE ASSOCIATION'S CODE OF CONDUCT FOR BOARD AND COMMITTEE MEMBERS' AND I AGREE TO COMPLY WITH ITS PROVISIONS. I UNDERSTAND THAT, IF I AM FOUND TO HAVE BREACHED THIS CODE OF CONDUCT, ACTION WILL BE TAKEN BY THE BOARD WHICH COULD RESULT IN MY REMOVAL:

SIGNED:

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NAME (PLEASE PRINT):

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DATE:

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Approved by Board – 19.09.17