

CODE OF CONDUCT FOR BOARD MEMBERS

Why do we need a Code of Conduct?

The Board has responsibility for the housing and support of a large number of people, the employment of staff and for large sums of public and private money. The Board must therefore ensure that it operates to high standards of conduct in all its own activities and that such high standards apply throughout the organisation.

This Code of Conduct includes the legal requirements contained in the Housing Act 1996 (see paragraph 10). Board members are expected to uphold the spirit as well as the wording of this Code of Conduct and to disclose any circumstances where they may have an actual or potential dual interest.

The Code of Conduct

1 Principles of Public Life

The Nolan Committee adopted principles of public life. Most of these are applicable to a not for profit organisation delivering a public service using public money. The principles set out below will be taken into account in interpreting the detailed element of this Code.

(1) ***Selflessness***

Board members must act in the interests of the organisation which is delivering a public service. They must never use their position as Board members to improperly confer advantage on themselves or to improperly confer advantage or disadvantage on others.

(2) ***Honesty***

Board Members must declare any private interests relevant to their duties as Board members and take steps to resolve any conflict in a way that protects the public interest.

(3) ***Integrity and Propriety***

Board members must not put themselves in a position where their integrity is called into question by any financial or other obligation to individuals or organisations that might seek to influence them in the performance of their duties. Board members must on all occasions avoid the appearance of such behaviour.

(4) ***Duty to Uphold the Law***

Board members must act to uphold the law and act on all occasions in accordance with the trust that has been placed in them.

(5) ***Objectivity in Decision-making***

In carrying out their responsibilities including making appointments, awarding contracts, or recommending individuals for rewards and benefits, Board members must make decisions on merit. Whilst Board members must have regard to the professional advice of the Executive and may properly take account of the views of others, it is their responsibility to make the decision in the light of that advice.

(6) ***Equality and Respect***

Board members must carry out their duties and responsibilities with due regard to the principle that there should be equality of opportunity for all people, regardless of their gender, race, disability, sexual orientation, age or religion, and show respect and consideration for others.

(7) ***Openness***

Board members must be as open as possible about all their decisions and actions. They should give reasons for their decisions and restrict information only when individual or commercial confidentiality requires such restriction.

(8) ***Accountability***

Board members are accountable to members of the organisation for their actions and for the way they carry out their responsibilities as a Board member. They must be prepared to submit themselves to such scrutiny as is appropriate to their responsibilities.

(9) ***Leadership***

Board members must promote and support these principles by leadership and example so as to promote public confidence in their role and in the organisation.

2. When does this Code apply?

2.1 This Code applies at meetings of the Board and any committee of the Board.

2.2 This Code also applies whenever a Board member is representing the Board or the organisation or is participating in any Members meeting or meeting with staff.

2.3 Paragraph 3 of this Code applies whenever a Board member is dealing with a member of staff even if not doing so in the capacity of a Board member.

2.4 The obligation not to bring Bron Afon Community Housing into disrepute and to support Board decisions, applies to Board members at all times.

3. Equality and respect

3.1 Board members must:

- (a) Carry out their responsibilities in accordance with the principle that there should be equality of opportunity for all people, regardless of their gender, race, disability, sexual orientation, age or religion;
- (b) Show respect and consideration for others including staff of the organisation and other Board members; and
- (c) Not use bullying behaviour or harass the organisation's staff.

3.2 Acting in other capacities (for example as tenants' representatives or as councillors), Board members may legitimately represent tenants, leaseholders and communities in their dealings with the organisation. When Board members act as representatives in this way they should do so via the Liaison Officer and ensure that:

- (a) They must explain to staff that they are acting as a representative in their other capacity and not as a Board member;
- (b) They must not misuse their status as Board members to exert or seek to exert any special influence over staff;
- (c) They must not seek any special priority or benefit for those they represent which differs from the service that other members of the public will receive from the organisation;
- (d) They should not raise these issues at Board or Committee meetings but should pursue them through the normal channels with staff.

4. Confidentiality

4.1 Board members must not disclose confidential information which is passed to them as Board members (unless required by law to do so).

4.2 Board members must treat as confidential:

- (a) Information concerning people including tenants, leaseholders, other Board members and staff;
- (b) Business information about organisations other than Bron Afon;
- (c) Business information about Bron Afon unless it has been discussed in public at Board or Committees.

5. Protecting the reputation of the organisation and the Board

- 5.1 Board members must not behave in a manner which could be reasonably regarded as bringing the organisation into disrepute.
- 5.2 Outside Board meetings in their public and private dealings with others, Board members should support and must not undermine the decisions of the Board. The appropriate place to discuss concerns about any Board decision is at a Board meeting. This paragraph does not prevent Board members reporting any breach of legal or regulatory requirements to the appropriate regulatory body if their concerns are not adequately addressed within Bron Afon.
- 5.3 Board members must report to the Chair of the Board or the Chief Executive or the Company Secretary any improper or illegal conduct by a member of the Board or by a member of staff or contractor of Bron Afon of which they are or become aware, including any breach of this code by a member of the Board.

6. Proper use of resources

- 6.1 Board members:
- (a) Must not improperly confer any benefit on themselves or any other person;
 - (b) Must not improperly create or avoid a disadvantage for themselves or any other person;
 - (c) Must ensure that the organisation's resources are not used improperly for private purposes;
 - (d) Must use any equipment provided to them as Board members in accordance with any rules and guidance provided by the organisation.

7. Objectivity

- 7.1 When reaching decisions, Board members must:
- (a) Reach decisions on the basis of the merits;
 - (b) Take account of advice from the Chief Executive and other senior managers, Company Secretary and professional advisers where appropriate.
- 7.2 There is an agreed format for introductions when newcomers join or attend as follows:
- "I am <name>" not title or route to membership (tenant, Councillor etc),
 - "I'm also on <other committees or working groups>"
 - "What I'm particularly interested in is....."

7.3 More guidance on this can be found in the “How We Work” document.

8. Gifts and hospitality

8.1 Board members must observe the organisation’s rules for the claiming of reimbursement of expenses and only claim for expenses properly incurred.

8.2 Board members must not accept from anyone gifts, hospitality (other than official hospitality, such as a reception or a working lunch), material benefits or services for themselves or any other person which would, or might reasonably appear to, place them under an improper obligation.

8.3 Provided the previous paragraph does not apply, modest gifts for office use such as calendars, pens or diaries may be accepted by Board members in accordance with the Board’s policy including gifts of a promotional nature. No gifts of money should ever be accepted. Advice should be obtained from the Chief Executive before accepting any gift or hospitality valued at over £10 and if accepted these must be notified to the Secretary and will be included in a public register.

8.4 Board members must report to the Chief Executive if any offers of favour, discounts or inducements are offered to them by any firm which is or may in future seek business from Bron Afon.

9 Disclosure of interests

9.1 Board members have an interest that must be disclosed where they or a close relative could potentially receive a personal or business benefit because of some activity or decision by Bron Afon Community Housing.

9.2 The interest should be disclosed in the register maintained by the Secretary and at any meeting attended by the Board member as soon as the Board member becomes aware of it.

9.3 Board members must also ensure that the following are recorded in the register whenever they arise:

(a) Any existing interest in property owned by Bron Afon Community Housing (including tenancies and licences and rights over land owned by Bron Afon (for example a right of way over land leading to a garage);

(b) Any interest in property being bought by Bron Afon;

(c) Any interest in a company selling or being an agent for any property being bought by Bron Afon;

- (d) Any business relationship with any person or firm earning fees from work for Bron Afon;
- (e) Any business relationship with any person or firm entering into a contract to carry out work for or provide supplies to Bron Afon;
- (f) A list of bodies in which they have an interest as a director or officer;
- (g) A list of firms of which they are a member;
- (h) A list of bodies of which they are an official or elected member;
- (i) A list of bodies of which they are the owner or controller of more than 2% of the shares which are publicly quoted or 10% of the shares in any other company.

9.4 The Rules provide that Local Authority Board members do not have an interest for the purpose of any contract between Bron Afon Community Housing and Torfaen County Borough Council. Local Authority Board members need not record these in the register.

10 Prohibition on benefits for Board members

10.1 The Housing Act prohibits the organisation from making any payment or granting any benefit unless it falls within a strict list of exceptions to:

- (a) Board members;
- (b) Anyone who has been a board member within the past 12 months;
- (c) A close relative of a board member or person who has been a board member within the past 12 months;
- (d) A business trading for profit or which anyone of these individuals is a principal proprietor or is directly concerned with the management.

10.2 The following payments or benefits to Board members are permitted and Board members must ensure that they or their close relatives receive no other payments or benefits from the organisation other than those listed below and in the following paragraph:

- (a) the payment of expenses actually incurred by Board members on the business of the organisation;
- (b) the grant of a new tenancy to a current or former Board member or a close relative of a board member provided that the Board member or relative was already a tenant of Bron Afon Community Housing before the Board member joined the Board;

- (c) There is no special priority and no beneficial treatment or beneficial terms because the beneficiary is a Board member or close relative;
- (d) The decision to grant the payment or benefit is taken by the Board or a committee of the Board with delegated authority and the Board member who is interested does not participate;
- (e) The decision is recorded in the minutes of the Board or Committee and in a separate register maintained by the Secretary available for public inspection.

10.3 The additional permitted payments and benefits to Board members, former Board members and close relatives are:

- (a) the grant of a tenancy or the disposal of a home to a Board member, a person who has been a Board member within the past 12 months or a close relative provided they are in housing need, they meet the published criteria for the allocation of housing by Bron Afon Community Housing and the consent of the Welsh Assembly Government has been obtained.
- (b) The provision of financial assistance to a Board member, former Board member or close relative to help them occupy or build a home in accordance with Welsh Assembly Government schemes provided they meet the published criteria for such assistance;
- (c) Payment for the purchase of a home from a Board member, former Board member or close relative provided the written consent of the Welsh Assembly Government has been obtained.

10.4 Welsh Assembly Guidance advises that a close relative is a relative by blood or marriage who is so close to a Board member that there is a real risk that a decision to make a payment or grant a benefit to him or her could be influenced by that relationship. Bron Afon extends this definition to include anyone who may not legally be related to the Board member at all, but is treated as close relative e.g. a co-habitee or partner or a foster child.

10.5 Where other payments or benefits are considered appropriate for Board members, these can only be paid or granted following a determination by the Welsh Assembly Government.

11 Withdrawal from participation in decisions

11.1 Where a Board member has an interest in any arrangement between Bron Afon Community Housing and another individual or body which is being discussed by the Board or any committee they must declare their interest and withdraw from the meeting unless they are asked to remain and they shall have no vote on the matter

under discussion. This requirement to disclose their interest and withdraw does not apply to:

- (a) A Board member who is a tenant if the matter under discussion affects all or a substantial group of tenants;
- (b) A Board member who is a local authority Board member if the matter under discussion is any contract between Bron Afon Community Housing and Torfaen County Borough Council.

12 Use of Contractors

12.1 Board Members are requested to declare to the Governance Support Officer when they use a contractor who is also used by Bron Afon. When obtaining quotes and dialogue from contractors, Board Members should retain documentation for copying by the Governance Support Officer to accompany the Register of Use of Contractors. The register will help maintain an auditable trail for Board Members to evidence that their dealings with contractors are open in light of good governance practices. The use of local contractors who do work for Bron Afon is not to be discouraged, just evidenced where used.

12.2 An up to date list of contractors is available from the Governance Support Officer.

This Code was approved by the Board on the 29th April 2010.

Full Name

As a member of the Board of Bron Afon Community Housing ("Bron Afon"), I agree to meet my obligations to the Board of Bron Afon, to comply with the Rules of Bron Afon and to abide by this Code of Conduct.

Signed

Date