



**CODE OF CONDUCT
FOR BOARD AND
COMMITTEE MEMBERS
AND INVOLVED RESIDENTS
OF FORTIS LIVING GROUP**

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1. INTRODUCTION

Why does the Group have a Code of Conduct?

Your conduct, as Board and Committee Members (for the purposes of this Code of Conduct, “Board Members”), impacts directly on the Group’s public reputation. This also applies to residents and other service users involved in scrutinising the Group’s business activities, such as those who sit on resident Scrutiny Panels (“Involved Residents”). Your conduct as a Board Member or Involved Resident also dictates how effectively the money and assets of the Group are managed.

You commit your time, experience and skills. You are responsible for large sums of money and for the housing and care of large numbers of people. You have overall responsibility for all the Group’s actions.

The Group expects the highest standards of conduct from you. Its success is dependent on how well you work together. It is therefore vital to put in place clear ground rules for accountability and acceptable behaviour. Key to this is mutual trust and respect. The Group promotes equality and fairness in all aspects of its work and it expects each of you to practice those principles too.

For all of these reasons, you need to adhere to this Code of Conduct. As current Board Members and Involved Residents you are asked to sign up to the Code. All new Board Members and Involved Residents from now on will also be asked to sign up to the Code. Board Members will also be asked to confirm their acceptance of their obligations by signing up to their Board Member Non-Executive Agreement for Services.

The principles that underpin this Code

This Code of Conduct for Board Members and Involved Residents takes into consideration not only the recommendations of the National Housing Federation, which encourages Boards to adopt the principles of public life identified by the Nolan Committee in its first report, but also the Group’s Constitutions, the requirements of the Group’s Regulator (the Homes and Communities Agency), current best practice, relevant legislation and other relevant Group policies.

The seven 'Nolan Principles' have come out of the work of a committee set up by the Government to look into standards in British public life. In summary, they are as follows:

- **Selflessness** – as Board Members and Involved Residents, you must make decisions based solely on the Group's mission, vision and values. You should not be influenced by attempting to gain financial or other benefit for yourself or your family or friends
- **Integrity** – you must not be compromised by outside interests
- **Objectivity** – you must remain impartial and ensure choices and decisions are made on merit alone
- **Accountability** – you must be responsible for your decisions and actions
- **Openness** – wherever possible, you should give reasons for your actions
- **Honesty** – you must declare any private interests and take steps to resolve any conflicts which may arise; and
- **Leadership** – you must promote these principles by example.

What form does this Code take?

Section 2 [The Code of Conduct] sets out the core standards to which all Board Members (including, for the purposes of this Code, committee members and co-opted Board and committee members) and Involved Residents are expected to adhere and provides the procedural framework for them to do so.

Section 3 [Public Conduct and the Reputation of the Group] sets out the procedures and sanctions that will apply whenever complaints are made against Board Members or Involved Residents under this Code of Conduct.

This Code of Conduct is a part of a suite of policies and procedures that the Group has put in place to ensure it demonstrates the highest standards of probity in the ways it carries out its business. Other policies and procedures that you should familiarise yourself with include:

- Probity Policy;
- Equality & Diversity Policy;
- Fraud Policy;
- Governance Policy;
- Data Protection and Data Management Policies;

- Standing Orders and Financial and Contract Regulations; and
- Whistleblowing Policy
- Anti-Bribery Policy

Of particular importance is the Group's Anti-Bribery Policy which demonstrates the Group's commitment to preventing bribery and corruption and achieving the highest standards of good governance in all its activities.

'The Bribery Act 2010 introduced the offences of offering and / or receiving a bribe. It also places specific responsibility on organisations to have in place sufficient and adequate procedures to prevent bribery and corruption taking place. Under the Act, "bribery" is defined as "Inducement for an action which is illegal unethical or a breach of trust. Inducements can take the form of gifts loans, fees rewards or other privileges." Corruption is broadly defined as the offering or the acceptance of inducements, gifts or favours, payments or benefit in kind which may influence the improper action of any person; corruption does not always result in a loss. The corrupt person may not benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another. To demonstrate that the organisation has in place sufficient and adequate procedures and to demonstrate openness and transparency, all staff are required to comply with the requirements of the Employee Code of Conduct Policy. For a more detailed explanation, please see the Anti-Bribery Policy. Should members of staff wish to report any concerns or allegations they should contact the most appropriate person identified within the Whistle-blowing Policy.'

You must be aware of what each of these policies and procedures says and make sure you follow them at all times. Any failure to do so may be considered to be a breach of this Code of Conduct.

It is your responsibility both individually as Board Members and collectively as a Board to ensure you follow all of the Group's policies and procedures (including the ones listed above). However, there are various ways in which the Group will support you in doing so.

The Group Company Secretary and the Group Chair will monitor compliance with the Code of Conduct and the associated policies and procedures and will take any appropriate steps to make sure you comply with them where necessary.

If another copy of this Code of Conduct or a copy of any of the policies or procedures listed above or any further guidance, training or advice is required, you should contact the Group Company Secretary as soon as possible.

The Code of Conduct will be reviewed regularly by the Board.

2. THE CODE OF CONDUCT

Personal Conduct

Confidentiality

The Group's work involves confidential information about its customers and business and everyone must respect that confidentiality. Nevertheless, the Group is committed to working openly and it will make its business confidential only where this cannot be avoided.

The Group has separate Data Protection and Data Management Policies which govern how the Group will use the information that it holds and respond to requests for information from third parties (including residents and partner organisations such as local authorities and the media). You must be aware of what the Data Protection and Data Management Policies say and make sure you follow them at all times. Any failure to do so may be considered to be a breach of this Code of Conduct and may lead to action being taken against you in accordance with Section 3 of this Code.

General Duties

You will not discuss the Group's business except with other Board Members or Involved Residents and appropriate Group employees.

You will inform the Group Chair or Group Company Secretary of any problems which are brought to your attention relating to the Group or to other Board Members or Involved Residents.

Confidential Information

Confidential information includes the following:

- Information about the activities of the Group which is not public knowledge
- Information about the personal circumstances of any Group employee, Board Member, Involved Resident, tenant, resident or applicant for housing
- Information about the financial or other resources of the Group
- Information about the allocation of financial or other resources by the Group
- Information about funders' business; and
- Any information available to the Boards, Committees or Scrutiny Panels which is expressly brought to your attention as being confidential.

This list is not exhaustive and you must act as though any information that you become aware of in your capacity as Board Members or Involved Residents is confidential, unless the Group Chair or the Group Company Secretary confirms otherwise.

From time to time you may have access to or be given confidential information. Unless you are required by law to do so you will not disclose it to anyone.

You will not use confidential information to personally benefit yourself or anyone else.

You will not use confidential information to discredit the Group, its Boards, Committees or Scrutiny Panels or another Board Member or Involved Resident or Group employee.

If you receive any written or electronic information that you know or suspect is confidential you will ensure:

- It is not used for your own or anybody else's advantage
- It is kept securely
- No copies are made
- It is not disclosed or passed onto anyone else; and
- It is returned to the owner immediately, and deleted, if it has been sent inadvertently.

When disclosing any information about the Group or its activities, you will ensure:

- The information is not confidential
- That you follow any relevant procedures set out in the Group's policies; and
- Prior authority is obtained from the Group Chair or Group Company Secretary, where appropriate, to release it.

If you breach your duties of confidentiality and a complaint is made, it will be treated automatically as a written complaint under Section 3 of this Code of Conduct.

Leaving the Board, Committee or Scrutiny Panel

The obligations set out above concerning confidential information will apply even after you no longer sit on the Board, Committee or Scrutiny Panel.

When you cease to be a Board Member or Involved Resident, for whatever reason, you will return any paperwork you still hold relating to the Group's business (including Board and Committee papers and minutes), together with any keys or other equipment issued to you by the Group to the Group Company Secretary.

Care and Skill

As Board Members and Involved Residents, you should exercise the level of care in dealing with the Group's business that would be expected of an ordinary prudent businessperson. You should exercise the level of skill that would reasonably be expected of a person with your attributes (for example, your qualifications and experience).

In seeking to show that you have exercised an appropriate degree of care and skill you should:

- Read Board/Committee/Scrutiny Panel papers, prepare for and regularly attend Board/Committee/Scrutiny Panel meetings punctually and give apologies where you are unable to attend
- Contribute to Board/Committee/Scrutiny Panel meetings and raise any concerns that you may have

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- Check the minutes to ensure that they properly reflect any concerns that are raised at Board/Committee/Scrutiny Panel meetings
- Encourage the Board to seek and to act on legal and financial advice wherever necessary.

As Board Members, you should adhere to the Group's Board Members Performance Standards. Any relevant performance standards with which Involved Residents are expected to comply will be notified to Involved Residents from time to time.

Standards of Behaviour

As Board Members and Involved Residents, you are required to behave to the highest standards at meetings, whenever you are specifically or publicly representing the Group and in your everyday life.

You will not verbally abuse anyone, nor will you bully or use physical violence or threats against anyone. This obligation applies to all your dealings with fellow Board Members, Involved Residents, Group employees, contractors and anyone else you may come into contact with in your role as a Board Member, Involved Resident or otherwise.

You will not do anything which compromises or is likely to compromise the professional impartiality of employees. When reaching decisions you will see to take account of the advice given by the Group Chief Executive and other professional advisers.

You will act reasonably and responsibly at all times. You will treat others with respect. You will not do or say anything that may adversely affect the reputation of the Group or bring it or the Board, Committees or Scrutiny Panels into disrepute. You will not conduct yourselves in any way which could adversely affect your judgment or capacity when acting as a Board Member or Involved Resident.

If you have personal differences with another Board Member or Involved Resident you will not bring these into the arena of a Board, Committee or Scrutiny Panel meeting. Instead, you will resolve such differences quickly, quietly and discreetly between yourselves outside meetings.

If you have a complaint against another Board Member or Involved Resident or a Group employee you will raise the matter with the Group Chair or Group Company Secretary.

If you have a complaint against the Group Chair or the Chair of another Group Member you will raise the matter with the Company Secretary or the Group Chief Executive.

You will not use your position as a Board Member or Involved Resident for personal advantage in order to benefit yourself or a family member (including your partner, i.e. your spouse or civil partner or person with whom you live in a similar capacity, your parents, grandparents, children, grandchildren, brothers, sisters, uncles, aunts, nephews, nieces and similar relations by marriage or civil partnership or anyone connected with them). Family member has a wide meaning and can include people who are similar to family even where there is no relation by birth or law or anyone else with whom you have a close connection (who the public might reasonably think you would be prepared to favour e.g. friends, colleagues, neighbours).

You will not use your position as a Board Member or Involved Resident in connection with any outside employment or business interests in such a way as would constitute an abuse of that position.

You will always use any resources (such as IT equipment) provided by the Group for the purposes intended and will follow relevant policies and guidance issued in the proper use and care of the resources.

You will not make representations to others that you act on behalf of the Group unless you have specific authority to do so.

You will always act in the best interests of the Group.

You will only do what the Constitutions of the Group Members specifically permit.

You will comply with any other Board/Committee or Group-wide policies in force from time to time.

If you are convicted of a criminal or civil offence, you will declare it to the Group Chair or the Group Company Secretary. The Group Board will then decide the appropriate course of action to take, in accordance with the relevant Group Member's Constitution.

The Group wishes to carry out business transparently and fairly and therefore operates a zero tolerance policy towards bribery by any of its Board Members and Involved Residents. You will at all times act in accordance with the Group's Anti-Bribery Policy. If you come to suspect any occurrences of bribery within the Group or are at any time offered a bribe then you will act in accordance with the guidance contained within the Group's Anti-Bribery Policy.

Collective Decisions

Once your Board, Committee or Scrutiny Panel has come to a decision you will stand by it, regardless of whether you agree or disagree.

You acknowledge your Board, Committee or Scrutiny Panel has the ability to resolve to change a decision at a future meeting.

You accept that if you are opposed strongly to a Board, Committee or Scrutiny Panel decision you may need to resign as a Board Member or Involved Resident.

You will not disclose decisions made at Board, Committee or Scrutiny Panel meetings unless they appear in the formal minutes and do not form a confidential agenda item of the meeting.

Training

The Group will seek to organise training at a time and venue that takes into account your personal commitments.

Health, Safety and Security

Your conduct must not endanger the health, safety or security of yourself and others.

You must comply with the Group's health and safety policies and procedures and bring to the attention of the appropriate person any risks to yourself and others.

You must comply with the law and the Group's policies and procedures on smoking and on the use of alcohol, illegal drugs and other substances.

You must comply with the Group's policies relating to the security of premises.

3. PUBLIC CONDUCT AND THE REPUTATION OF THE GROUP

Equality and Diversity

As a Board Member or Involved Resident you are required to comply with the spirit and letter of the Group's Equality and Diversity Policy and related procedures at all times. You must be aware of what the Equality and Diversity Policy says and make sure you follow it at all times. Any failure to do so will be considered to be a breach of this Code of Conduct.

The Group monitors the diversity strands of Board and Scrutiny Panel Members and Group employees in accordance with the Equality Act 2010. It encourages you as a Board Member or Involved Resident to supply this information, the aim being to ensure that the Group's Board/Committee/Scrutiny Panel membership reflects the communities they serve.

Personal interests and avoiding conflicts

As a Board Member or Involved Resident you will act at all times in good faith and in the best interests of the Group. You will not put yourself in a position where your personal interests conflict with those of the Group.

Conflicts of interest can arise from:

- Interests (financial or otherwise) arising out of a family relationship, friendship, membership of any association, society or trade union (including secret societies and similar associations), trusteeship and other kinds of relationship which can influence judgement and give an impression, rightly or wrongly, that there might be a personal motive
- Significant shareholdings or investments in companies, partnerships, financial institutions etc. earning fees from (or seeking to build a relationship with) the Group

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- Board memberships or roles of responsibility in other organisations, such as local authorities and other housing associations
- A business or personal relationship with anyone entering into (or wanting to enter into) a contract or arrangement to carry out work for the Group.

This list is by no means exhaustive. Conflicts of interest can arise in many other situations.

You will complete an annual Declaration of Interests in the form prescribed by the Group. It is impossible to define all circumstances when a declaration should be made and you must decide which interests to declare based on whether other people might reasonably believe that they are, or might have been, motivated or influenced as a result of your personal circumstances. If you are in any doubt as to whether an interest ought to be declared you must discuss this with the Group Company Secretary, but the starting point is always that an interest should be declared.

Your declarations will be held in a Register which will be open to inspection by the Group's Regulators and by other people with a legitimate interest in the Group and its affairs. It will include a Register of Interests of individual Board Members and Involved Residents which records employment, positions of public responsibility, membership of other housing associations, ownership of land and/or property in the area of operation of the Group or a tenancy or leasehold interest of a property owned by the Group and any other financial or business interests you or a Family Member or Close Association (as defined in the Group's Probity Policy) may have which relates to the work of the Group.

Any declarations you make will be dealt with in accordance with the Group's Data Protection and Data Management Policies.

You will notify the Group Company Secretary promptly of any changes that need to be made to either Register to keep them current. If you are uncertain you will make a declaration.

You will be alert to the potential for conflicts of interest. If you do spot a conflict you will tell the Company Secretary or the Chair about it as soon as possible so steps can be taken to address the matter.

If you fail to disclose an actual or potential conflict of interest, or do not make full and accurate disclosures, this may result in you being removed as a Board Member or Involved Resident altogether.

If you declare a conflict of interest (or a potential conflict of interest) in relation to any matter which comes before you as a Board Member or Involved Resident, the presumption is that you will withdraw from any discussion of that matter at any meeting. This would include consideration of contracts where an interest is listed in the Register. If, during a meeting, an item arises in which you could be regarded as having an interest, you will declare an interest and shall withdraw from the meeting for the duration of that item, unless invited by the Board/Committee/Scrutiny Panel to remain during that item. The final decision as to whether a Board Member or Involved Resident shall withdraw shall rest with the Chair of that meeting.

As a tenant, you are able to participate in discussions where the matter affects a substantial number of tenants (i.e. not just your individual property or a small number of properties of which yours is one).

As a local authority representative, you are able to participate in discussions where the matter concerned relates to general housing and associated issues. However, you may not participate in discussions where the matter concerned specifically relates to your ward or to any policy or portfolio for which you have responsibility at the local authority. In such cases, you must declare a conflict of interest.

You may participate in discussions where you are a director or officer of a body or company associated with the Group and you have been appointed to that body or company in order to represent the Group.

Notwithstanding the Board, Committee or Scrutiny Panel's powers to require you to stand down, you will take personal responsibility wherever appropriate for resolving the conflict of interest. In particular, if an external role or responsibility gives rise to a serious or a persistent conflict, and this significantly undermines your effective contribution as a Board Member you will consider either resigning from the Board, Committee or Scrutiny Panel, or stepping down from the external role / responsibility.

If at any time you are aware of any interest that you believe another Board Member or Involved Resident has which causes or could cause a conflict of interests, you will advise the Group Company Secretary, who will advise the relevant Chair as appropriate.

Interests arising from common Board Membership

The Group operates a co-terminous or 'common' Board membership structure between Fortis Living Group and Fortis Living Limited (the "Co-terminous Board").

Members of the Co-terminous Board owe duties to both organisations of which they are a Board Member. You must therefore keep this 'duality of interests' in mind when you make decisions, to ensure that the interest is not an actual or potential conflict of interest. To assist you to determine this, where decisions will affect both organisations you should weigh up the implications to each Group Member carefully.

It is important to remember that this is an internal interest to the Group which arises because you are Board Members of two Group Members. The Group is therefore aware of this interest and you do not need to declare it repeatedly. The constitutions of each of Fortis Living Group and Fortis Living Limited authorise you to remain present during decisions that are made, even though you have such an interest.

However, if you feel that you are unable to comply with your duties to act in the best interests of each organisation then you should excuse yourself from the discussion and vote. For one-off decisions this will only be required temporarily during that item on the agenda. If the conflict is likely to continue for a longer period of time, you should discuss with the Chair and Company Secretary whether it will be necessary for you to step down as a Board Member until such time as the conflict no longer exists.

Outside activities and political activities

If you want to engage in outside activities that may have an adverse impact upon the Group you will do so only with prior permission from the Group Company Secretary, who may refer the issue to the Group Board for decision.

You will declare any existing involvement with external committees, groups and organisations whose activities may impact upon the Group before you become a Board Member or Involved Resident.

Once you become a Board Member or Involved Resident you will not involve yourself with external committees, groups and organisations whose activities may impact upon the Group without prior approval. If such approval is granted you will make sure you declare your interests in the manner prescribed by this Code of Conduct.

Whilst the Group's work may take it into the political arena, it must remain non-political in nature. You will therefore keep your personal political activities totally separate from your role as a Board Member or Involved Resident.

You will ensure the Group's reputation is not damaged by your personal political activities and you will not seek to score political points at the Group's expense, whether privately or publicly.

If you are a Councillor and Board Member, you will also be subject to the relevant Council's own Code of Conduct.

Payments and benefits

The Group has a separate Probity Policy that sets out its expectations and requirements in relation to the receipt of payments and benefits by (amongst other people) Board Members and Involved Residents. It also covers the housing or employment of Board Members and Involved Residents and persons connected to them by the Group. You must be aware of what the Probity Policy says and make sure you follow it at all times. Any failure to do so will be considered to be a breach of this Code of Conduct.

Media handling

You will not contact the media in your capacity as a Board Member or Involved Resident without the prior consent of either the Group Chair or the Group Chief Executive.

If you receive any letters, emails, telephone calls or other enquiries from the media concerning the Group, other Board Members or Involved Residents you will pass them on to the Chief Executive as soon as possible.

You will not respond yourself to such enquires other than to establish the nature of the enquiry.

You will not take part in any interviews with the media unless requested to do so by the Group Chief Executive and only after having attended appropriate media training.

You will not issue any press releases concerning the Group or other Board Members or Involved Residents.

You will not post any views or material concerning the Group or other Board Members or Involved Residents to any website (whether your own or someone else's).

The Group respects your right to a private life; however, the Group must also ensure that confidentiality and the Group's reputation are protected. As a Board Member or Involved Resident, you act as a representative of the Group. Therefore, if you use social networking sites, such as Facebook or Twitter etc., you will:

- Not conduct yourself in a way that is detrimental to the Group. For example, when posting photographs, comments or other material, you will act appropriately and with due consideration for how any such posting might affect the reputation and standing of the Group
- Take care not to allow your interactions on these websites to damage working relationships with Employees, other Board Members or Involved Residents or the Group's customers.

You will not send any derogatory or offensive emails where these could be construed as you acting in your role as a Board Member or Involved Resident, and you will not allow or encourage anyone else to do this on your behalf.

Using Company Contractors

For the purpose of this section “Company Contractors” include builders, maintenance contractors, bulk suppliers, solicitors, architects, surveyors, consultants and other professional advisers which are under contractual arrangements for the supply of services to the Group or any Group Member.

All dealings with Company Contractors must be “above board”. As a Board Member or Involved Resident you must therefore separate your purchasing decisions as an individual from those you make on behalf of the Group.

The Group recognises that as a major local business and with many Board Members and Involved Residents resident in the area, you may from time to time wish to use Company Contractors to carry out work for you in a private capacity. The two most common reasons for this are either because it is convenient or because you believe you will get a good standard of service.

It is generally not good practice for you to use Company Contractors in a personal capacity and therefore you will only do so in accordance with the guidance set out below.

You may use Company Contractors in a monopoly type situation (for example, utilities such as gas or water) or where the Company Contractor is the only provider of the service in question in the area (for example, maintenance of a particular type of boiler).

You may use the services of Fortis Property Care Limited (“FPC”), as a major provider of repairs and services in the area. You will inform the Company Secretary when you use the services of FPC. You will not receive any financial or other special advantage (for example any preferential discounted rates) from FPC as a result of being a Board Member or Involved Resident and you will confirm this to the Group Company Secretary.

In any other circumstances you will not knowingly use a Company Contractor (except in an emergency) without informing the Group Company Secretary. The Group Company Secretary will seek confirmation from you that you will not receive

any financial or other special advantage from the Company Contractor as a result of being a Board Member or Involved Resident.

The Group Company Secretary will maintain a register of disclosures made in accordance with this section “Using Company Contractors” and will present this register to the Group Board annually.

Gifts and Hospitality

Giving and accepting hospitality or gifts may undermine the integrity of the Group. You will therefore avoid doing so except in the very limited circumstances described below.

As a Board Member or Involved Resident, you must act within the terms of the Group’s Probity Policy at all times. A copy of this Policy will be made available to all Board Members and Involved Residents and forms part of this Code of Conduct.

In particular Board Members must be particularly vigilant that a gift or hospitality given, offered or received does not (unintentionally) amount to an act of bribery within the Bribery Act 2010.

4. DEALING WITH BREACHES (AND ALLEGATIONS OF BREACH) OF THE CODE OF CONDUCT

Breaches at meetings

Any breach of the Code will be treated extremely seriously by the Group.

Where a breach of the Code takes place at a meeting of a Board, a Committee or a Scrutiny Panel, the Chair of the relevant meeting may propose that the Board Member or Involved Resident concerned be suspended for the remainder of the meeting. The Board Member or Involved Resident concerned will be required to leave the meeting immediately if such proposal is supported by a simple majority of those present and voting. The Board Member or Involved Resident concerned is to be excluded both from voting and for the purpose of calculating the relevant majority.

Where it is the Chair of the meeting who is alleged to have breached the Code at a Board, Committee or Scrutiny Panel meeting, a Board or Scrutiny Panel Member may

propose that the Chair be suspended for the remainder of the meeting. The Chair will be required to leave the meeting immediately if such proposal is supported by a simple majority of those present and voting. The Chair is to be excluded both from voting and for the purposes of calculating the relevant majority. Where applicable the Vice Chair shall act as Chair for the remainder of the meeting. Where there is no Vice Chair the remaining Board or Scrutiny Panel Members will appoint one of their number to act as the Chair for the remainder of such meeting based on a simple majority vote (“the Acting Chair”).

The suspension of the Board Member or Involved Resident (including the Chair) concerned for the remainder of the meeting will be without prejudice to any other sanction that may be imposed subsequently.

The Chair or Acting Chair shall notify the Group Company Secretary of any breach of the Code of Conduct that occurs or is alleged to have occurred at a meeting. Where such a referral is made it shall be deemed to be a written complaint for the purposes of section 4 of the Code of Conduct and shall be subject to the investigation and disciplinary procedure set out below.

If a breach is alleged to have been committed by the Group Chair then the Chair of the Group Audit and Risk Committee will be responsible for taking appropriate action. In such circumstances, references in this Section 4 of this Code of Conduct to the “Chair” are therefore to be construed as references to the Chair of the Audit Committee.

If neither the Group Chair nor the Chair of the Group Audit and Risk Committee is able to act, the Group Vice Chair (or, if the Group Vice Chair is unable to act, a Board Member appointed by the remaining Group Board Members) will be responsible for taking appropriate action. In such circumstances, references in this Section 4 of the Code of Conduct to the “Chair” are therefore to be construed as references to that person appointed to act.

Responding to complaints and allegations

Any complaint or allegation received by a Board Member or a Group employee about a Board Member or Involved Resident shall immediately be drawn to the attention of the Group Chair.

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Any Board Member or Involved Resident making or passing on a complaint or allegation against another Board Member shall be mindful at all times to act in accordance with (and ensure he or she does nothing that could contravene or breach) the Group's Data Protection and Data Management and Whistleblowing policies.

If the Group Chair receives a complaint about a Board Member or Involved Resident alleging breach of the Code of Conduct or other conduct detrimental to the interests of the Group, the following procedures shall be followed. In the case of an Executive Board Member (where appropriate) the procedures set out within the Group's Disciplinary Policy will be followed.

Acting in accordance with the Group's Data Protection and Data Management and Whistleblowing policies, the Group Chair shall immediately seek to establish the identity of the person who reported the complaint or allegation, along with the identity of the complainant or complainants (if different).

The Board Member or Involved Resident about whom the complaint or allegation has been made shall be informed that this has happened and of the steps that will be taken as set out below. The Group Chair will oversee the information disclosed to the Board Member or Involved Resident at this stage to ensure that the requirements of the Group's Data Protection and Data Management and Whistleblowing policies are complied with, which may include keeping the identity of the complainant(s) confidential and restricting other information that could identify the complainant.

The Board Member or Involved Resident concerned will not contact the media (either directly or indirectly) in relation to the complaint nor respond to any request by the media for comment. If the Board Member or Involved Resident concerned is contacted by the media, he or she will refer the media to the Group Chair as soon as reasonably practicable, without making comment to the media.

The Group Chair and at least one of the Group Company Secretary or the Group Chief Executive or a suitably experienced independent person (this can be another senior manager within the Group or an appropriate external representative from an appropriate body such as National Housing Federation or similar body dealing in the sector or governance issues) shall carry out an initial assessment of the nature

of the complaint or allegation. The purpose of this initial assessment shall be to determine whether the nature of the complaint or allegation is such as to require a formal investigation, or whether it can be dealt with on an informal basis.

If the initial assessment determines the matter can be dealt with informally (without invoking the formal investigation procedure set out below), the Group Chair, in consultation with the Group Company Secretary and/or the Group Chief Executive or a suitably experienced independent person (as appropriate) shall deal with the complaint or assessment in a manner they agree as being appropriate in the circumstances. This may involve no action or advice as to future actions or a warning and including whether any note is placed on the Board Member or Involved Resident's file.

If the initial assessment determines that a full investigation is needed into the complaint or allegation against the Board Member or Involved Resident, the procedure set out in "Formal Investigation Procedure" shall be followed.

If, in the opinion of the Group Chair, the allegation or complaint about the Board Member or Involved Resident is of a sufficiently serious nature, the Group Chair shall have the power to suspend the Board Member or Involved Resident for the duration of the investigation. If this happens, the Board Member or Involved Resident concerned must be notified in writing as soon as reasonably practicable of any suspension. Such suspension will be effective from the date of the notice.

Situations likely to be considered to be of a sufficiently serious nature for the purposes of the paragraph above include:

- Where the Group brings legal proceeding against a Board Member or Involved Resident
- Where a Board Member or Involved Resident brings legal proceedings against the Group
- Where a Board Member or Involved Resident becomes subject to any criminal or civil proceedings, the nature of which could compromise his/her position as a Board Member or Involved Resident.

During the period of any suspension the Board Member or Involved Resident must not:

- Participate in any Board, Committee or Scrutiny Panel Meetings
- Authorise or incur any expenditure on behalf of the Group
- Make use of any property belonging to the Group (other than in his/her capacity as a tenant or occupier)
- Hold himself/herself out as a Board, Committee or Scrutiny Panel Member;
- Seek to commit the Group to any obligation
- Contact the media (either directly or indirectly) in relation to the suspension or respond to any request by the media for comment.

Formal investigation procedure

The Group Chair, taking account of the circumstances of the complaint or allegation, shall appoint an Investigating Officer who may be a member of the Executive Team or a suitable experienced person either within the Group or from a recognised body such as National Housing Federation or other social housing or governance sector body.

The Investigating Officer will interview all relevant individuals and prepare a report outlining the evidence gathered through the investigation. Any Board Member or Involved Resident involved in the investigation should co-operate fully with the process to enable the investigation to be completed as quickly as possible.

Any investigation carried out by the Group Chair or the Investigating Officer will be confidential. Board Members and Involved Residents (including the one against whom the allegation or complaint has been made) must not divulge any information regarding the investigation to any third party without the approval of the Group Chair.

The investigation report produced by the Investigating Officer should give detailed information about the facts identified, the people interviewed and particularly where there are different versions of events. The Investigating Officer should always interview the Board Member or Involved Resident about whom the complaint or allegation has been made unless that Board Member or Involved Resident is not willing to co-operate.

The Group Chair will appoint a Conduct Panel to review the investigation. The Conduct Panel should normally comprise three Board Members including the Chair

of the Audit Committee and ideally, but not necessarily, one tenant and one independent member. If one or more of these individuals cannot be part of the Conduct Panel either through unavailability or through a potential or actual conflict of interest then the Group Chair in his/her absolute discretion shall appoint other Board Members to the Conduct Panel. The Group Chair will not normally be part of the Conduct Panel in order to remain impartial.

The Conduct Panel may be assisted by an independent adviser to advise on proper process and protocol, assist in considering the issues and the range of potential and appropriate outcomes. The independent adviser could be a member of the Executive Team or a suitably experienced independent person from an appropriate outside body.

The final version of the Investigating Officer's investigation report should be sent to the Conduct Panel and the relevant Board Member or Involved Resident at least five working days in advance of any Conduct Panel hearing. Depending on the circumstances, the Board Member or Involved Resident should normally have an opportunity to put their reply to the investigation report in writing to the Conduct Panel and submit it in advance of any Conduct Panel hearing. Alternatively, the Board Member or Involved Resident will be given the opportunity to make his or her response verbally when the Conduct Panel hearing takes place.

The Conduct Panel will meet to consider the matter. The Investigating Officer will present the investigation report to the Conduct Panel. The Board Member or Involved Resident that the complaint or allegation has been made against may also attend the meeting and present a statement in defence of any allegation or, if he/she prefers (or is unable to attend the meeting) he/she may submit a written submission in defence of the complaint.

The Board Member or Involved Resident that is the subject of the allegation or complaint may bring someone to the Conduct Panel hearing to support them. However, that person should not be another Board Member, Involved Resident, Group employee or a solicitor, barrister or other legal representative unless the Group Chair permits this (in his/her sole discretion).

The facts of the investigation and any of the matters raised in the course of it shall be strictly confidential and the Board Member or Involved Resident must ensure that

his or her supporter respects the general confidentiality requirements and any specific restrictions imposed by the Conduct Panel.

At the Conduct Panel hearing, the Conduct Panel may question both the Investigating Officer and the Board Member or Involved Resident concerned and both individuals will co-operate fully to answer any questions put to them by the Conduct Panel.

The Conduct Panel will seek to establish findings of fact related to the alleged incident or complaint, to determine whether, in its opinion, a breach of the Code of Conduct (or other obligation or responsibility of the Board Member or Involved Resident) has occurred and if so, what action should be taken against the Board Member or Involved Resident.

Courses of action deemed appropriate by the Conduct Panel may include one or more of:

- No further action and any suspension be lifted if the allegation or complaint is not upheld
- In the case of minor breach, a note placed on the Board Member or Involved Resident's file confirming the outcome of the investigation which may be taken into account in dealing with any subsequent complaint
- A written warning issued to the Board Member or Involved Resident indicating that any further breach will lead to a more serious penalty
- The Board Member or Involved Resident be instructed to issue a formal/public apology
- The Board Member or Involved Resident be instructed to undergo specific additional training / mentoring / coaching / development / counselling
- Formal censure of the Board Member or Involved Resident's behaviour
- Recommendation to the Board that the Board Member or Involved Resident may be removed from office (see below).

The Conduct Panel's findings shall be communicated in writing as soon as reasonably possible and, if appropriate, verbally to the Board Member or Involved Resident. The Conduct Panel's findings shall be final. The Conduct Panel's findings shall be reported to the Board at its next meeting.

If the Conduct Panel considers that a more serious sanction should be taken as a result of the investigation, the Conduct Panel's findings shall be reported to the Group Board at its next meeting, or at a specially convened Group Board meeting to hear the matter.

At that meeting, the Group Board shall consider the Conduct Panel's findings and recommendation and shall decide on a suitable sanction.

Sanctions deemed appropriate by the Group Board may include:

- The Board Member or Involved Resident being stripped of official responsibilities (e.g. Chair, Committee membership)
- Removal or suspension of any entitlement to remuneration
- Removal or suspension from Committees or Scrutiny Panels
- Suspension from the Board for an appropriate period of time
- Removal of the Board Member or Involved Resident from the Board or Scrutiny Panel
- In the case of a Councillor, details of the matter be supplied to the Chief Executive of the relevant Council and/or to the Standards Board for England as appropriate
- In serious cases involving possible fraud or other illegal activity, the Group Board may recommend the matter be reported to the police or other relevant authority.

In the case of removal or suspension of a member, the Group Board will consider the Conduct Panel's finding and recommendations and shall either decide:

- To remove the Board Member or Involved Resident from their office or role as a Board Member or Involved Resident in accordance with the relevant Group Member's Constitution
- If the required majority vote to remove the Board Member or Involved Resident is not achieved, to refer the matter back to the Conduct Panel for them to re-consider the proposed sanction
- Where the relevant Board is not the Group Board, if the required majority vote to remove the Board Member or Involved Resident is not achieved, to refer the matter to the Group Board for it to consider the proposed sanction.

Code of Conduct for Board and Committee Members and Involved Residents

The Board Member or Involved Resident concerned is to be excluded both from voting and for the purpose of calculating the required percentage majority.

The Board Member or Involved Resident about whom the complaint or allegation is made will be given the opportunity to make representations in writing and/or in person to the relevant Board at that meeting but the proceedings at the meeting are subject to the entire discretion of the relevant Group Member Chair.

Following the Board Meeting, the Group Chair will notify the decision of the relevant Board in writing to the Board Member or Involved Resident concerned as soon as reasonably possible.

If the relevant Board decides to remove the Board Member or Involved Resident such removal will be deemed to take effect from the date upon which written notice of the Board's decision is given to the Board Member or Involved Resident.

Executive Board Members

Any breach of this Code of Conduct by an Executive Board Member will be dealt with in accordance with that employee's terms and conditions of employment and the Group's Disciplinary Policy.