



berneslai
homes

**Board Code of Conduct
2023 to 2025**

Document Control

Title	<i>Board Code of Conduct</i>
Responsible Officer	<i>Sam Roebuck</i>
Author	<i>Claire Denson</i>
Subject	<i>Board Code of Conduct</i>
Information Asset Owner	<i>Sam Roebuck</i>
Approved by	<i>Board</i>
Approved date	<i>21 July 2022</i>
Review date	<i>May 2025</i>
Review responsibility	<i>Claire Denson</i>
Applicable to	<i>Board, Committee, Independent and Co-optee Members</i>
DPIA Completion Date	<i>n/a</i>
EIA Completion Date	<i>n/a</i>
Regulatory Framework	<i>NHF Code of Governance</i>

Revision History

Date	Version	Author	Comments
June 2019	2.0	Claire Denson	Approved by EMT and Board
July 2022	2.2	Claire Denson	Approved by EMT and Board
May 2023	2.3	Claire Denson	Reviewed and aligned to NHF Code of Conduct. Approved by Remuneration Committee for approval to Board
May 2023	2.3	Claire Denson	Approved by Board

Consultation and distribution

Type	Details
Consultation	<i>Board and EMT</i>
Distribution	<i>Board sign up to the Code of Conduct as part of their induction</i>

1. Introduction

The Board Code of Conduct sets out clear expectations of behaviour of all Board and Committee (inc Independent and Co-optee) Members (also referred to as Members throughout this document). It outlines the actions to be taken in the event of any breaches of the Code. It should also help Members understand their legal duties and the nature of their relationship with both Berneslai Homes Limited ('Berneslai Homes' or 'the Company') and the Executive.

This Code applies to every committee, working party or other subsidiary body of the Board. Its objective is to promote effective and well-informed company governance. It is not intended to be a definitive or authoritative statement of the law.

In addition to the Code, Members need to familiarise themselves with the following, which will be supplied to them on appointment, namely:

- The Memorandum and Articles of Association of Berneslai Homes
- Berneslai Homes' Strategic Plan
- The Members' Governance Handbook
- The Agreement of Service

A Board / Committee Member must observe this Code of Conduct whenever they conduct the business of Berneslai Homes or acts as its representative.

Members should always think carefully about potential conflicts of interest, and the impact of their behaviour on the reputation of Berneslai Homes.

It is expected that all Members will undertake their duties to the best of their abilities and will comply with the terms of the Board (Inc Independent and Co-optees) Agreement of Service.

Failure to comply with the Code of Conduct may lead to potential disciplinary action in accordance with this Disciplinary Procedure (section 7).

2. Role of the Board and Committees

The Board and Committees consist of non-executive Members who direct and oversee the affairs of Berneslai Homes. The Board / Committees ensure day-to-day management is delegated effectively and carried out properly by the Chief Executive and the staff of Berneslai Homes.

2.1 Functions

The functions of the Board / Committees are to:

- support the mission, vision and values of Berneslai Homes
- ensure compliance with the Management Agreement between Berneslai Homes and the Council
- define and ensure compliance with the Strategic Plan through the agreement of:
 - policies for action
 - budgets

- a framework of delegation and system control, including performance monitoring
- ensure the affairs of Berneslai Homes are conducted lawfully, ethically and within the terms of its constitution
- ensure arrangements are in place for urgent decisions to be made in between meetings
- appoint the Chief Executive
- appoint the Company Secretary.

2.2 Exercise of Powers

The Board and Committees may only exercise the powers granted to them by Berneslai Homes' Memorandum and Articles of Association. Unless specific powers and authority have been delegated to a named Member or Committee, it will usually be the case powers can only be exercised by the full Board acting together as a body.

2.3 Delegation

Members should be aware that when they delegate any of their duties to others, including the Company Secretary and Committees, the responsibility and liability for fulfilling those duties remains with Members.

3. Principles

You must fulfil your duties and obligations responsibly, acting at all times in good faith and the best interests of the company, its residents and other service users.

3.1 Conflicts of interests

You must take all reasonable steps to ensure that no undeclared conflict arises, or could reasonably be perceived to arise, between your duties and your personal interests, financial or otherwise.

3.2 Bribery, gifts and hospitality

You must not offer, seek or accept bribes or inducements to act improperly or corruptly. You must not seek or accept gifts, hospitality or other benefits from individuals or organisations that might reasonably be seen to compromise your judgment or integrity or place you under an obligation to those individuals or organisations. Gifts which are of a modest kind (i.e., under £10 retail value), and which can be regarded as in the nature of advertising matter, can be accepted. All other gifts must be politely but firmly refused.

Meals or refreshments which are connected with a public or semi-public occasion, such as an opening ceremony associated with new premises, in which Berneslai Homes have an interest such as owners or partners in the scheme and where the Member attends in an official capacity as representative of Berneslai Homes can be accepted.

An important role of a Board / Committee member may involve attendance at corporate functions which have a social element as well as networking and company

promotion. Attendance at such events should be proportionate and not excessive with checks in place to ensure probity is upheld and disclosure documented

If a Member is unsure about accepting a gift or attendance at any function, then they are able to seek clarity from the Chair or Chief Executive.

All offers of gifts or hospitality must be recorded in the Register of Hospitality and Gifts using a Notification of an Offer form available from the Governance Team.

3.3 Funds and resources

Members should not place themselves under any financial or other obligation to others who might seek to influence them in the performance of their role.

You must not misuse the company's funds or resources for yourself, your family, your friends or the company.

You must not invite or influence a resident or other customer unless they are a person who you are closely connected to, to make a will or trust under which you are named as executor, trustee or beneficiary.

3.4 Confidentiality

In carrying out your role, you have access to confidential information. You must handle information in accordance with the law and the company's policies and procedures, ensuring confidential material is handled sensitively, appropriately and with due care.

3.5 Disclosure and Sharing Information

Berneslai Homes regards compliance with the UK GDPR and Data Protection Act (DPA) 2018, and any future update along with information security standards, as a matter of the utmost importance. All Board members are required to respect individual's privacy at all times and are required to comply with current and any future UK data protection laws. Non-compliance may result in individuals being prosecuted under section 170 of the DPA, 2018 and Computer Misuse Act 1990 if there is no business reason to handle or share personal information of other board members, employees, contractors, suppliers, customers and members of the public to non-authorised individuals or organisations or to their own personal devices.

3.6 Health, safety and security

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

If you have any concerns about the health, safety, security or wellbeing of yourself, another individual or a group of individuals connected with the association, you must report this immediately through the appropriate channels.

3.7 Conduct at meetings

Your conduct at board / Committee and other meetings must meet a high standard of integrity, commitment, and courtesy.

3.8 Representing the company

Members also have a legal duty to promote the success of Berneslai Homes. You should therefore consider yourself as an ambassador for the Company, and act accordingly.

You must not seek to officially represent the views or position of the company without prior authority

In representing the company at external events and in dealings with outside bodies, you must set an example by demonstrating the highest standards of integrity and ethics and your alignment with the values, policies and objectives of the company.

You should not conduct yourself in a manner, which could reasonably be regarded as bringing the office of the Board or Berneslai Homes into disrepute.

If you intend to engage in an activity, including political or campaigning activity, which may reasonably be regarded to affect the company, you must obtain prior consent. Such consent must not be unreasonably withheld unless your activity poses a material risk to the company.

You must adhere to Berneslai Homes policies in the use of email, intranet and internet services including social media.

3.9 Reporting concerns

You must report any reasonable and honest suspicions you may have about possible wrongdoing.

You must report any behaviour by another Member you reasonably believe involves a failure to comply with the Code of Conduct in accordance with the procedure set out in section 7.

3.10 Performance

The Board has ultimate responsibility for the governance of Berneslai Homes and should have a diverse range of skills, competencies, experience and knowledge. It is important that the Board rigorously appraises its performance and that of individual members on a regular basis. Where performance falls below expectations and the required competency for a Member, the Board will actively deal with this.

The appraisal process may highlight areas of poor performance, whether through matters of competency, behavioural issues, poor attendance or lack of preparation for meetings. There may also be specific instances of inappropriate behaviour or conduct which need to be dealt with during the year.

You should ensure you:

- exercise reasonable care and skill in carrying out your functions. A higher standard of care will be expected of those who have particular skills or qualifications, such as an accountant or a solicitor.

- In partnership with the company, take responsibility for your own learning and development, regularly updating and refreshing your skills and knowledge.
- prepare for Board meetings by reading all the papers.

Attending meetings:

A Board Member who fails to attend 3 meetings of the Board in any period of 12 months, without the permission of the Board Chair, may, if the Board so resolve, have their fee reduced by such amount as the Board in its absolute discretion determines.

A Committee Member who:

- misses three consecutive meetings of the Committee. Or
- is absent from at least 25% of the meetings of the Committee in any period of 12 months

without the permission of the Committee Members, will if the Board so resolve, be removed as a Committee Member.

3.11 Accountability

Members are part of a team and should act as such. You are accountable for your actions to each other, to Berneslai Homes and to its stakeholders.

In particular, you:

- have a duty to comply with the law on all occasions in order to preserve public confidence in Berneslai Homes
- must support publicly the collective decisions made by the Board / Committee
- are accountable for your decisions and actions to the public, funders and service users
- must submit yourself to the level of scrutiny appropriate to your role
- must ensure resources are not used for political purposes
- must have proper regard to any relevant advice provided to you by the Chief Executive, Director of Corporate Services, Company Secretary and professional advisers to Berneslai Homes
- must exercise independent judgement in making decisions; and
- should have a high level of attendance at Board / Committee meetings so they can perform the function properly and effectively.

3.12 Respect for others

It is essential that Members have knowledge of current Equalities legislation and can apply this in governing the organisation. Members must at all times display the agreed Board Behaviours and promote the values of Berneslai Homes. You must treat others with respect. Failure to do so may impact on the reputation and wellbeing of the Board and Berneslai Homes.

Accordingly, Members should:

- promote equality, and not harass or discriminate
- treat others and their views with respect and courtesy
- promote and support the principles of leadership by example

- not do anything that may, or does, compromise the impartiality of those who work for, or on behalf of the Company
- respect the role of the Chair, the Chief Executive and the employees of Berneslai Homes.

3.13 Objectivity

Members should ensure decisions are made solely on merit and should set aside personal preferences. At all times you should look to the greater good of Berneslai Homes. In making decisions, you should:

- ask appropriate questions; and
- come to your own conclusions, weighing up carefully the views expressed, and the advice given.

This duty of objectivity extends to making appointments, awarding contracts, recommending individuals for rewards and benefits and transacting other business.

3.14 Openness

You must be open about your decisions and actions, giving reasons for them where appropriate.

3.15 Relationships and team working

Members must maintain a constructive, professional relationship based on a sound understanding of the respective roles of board / Committee members, staff and involved residents.

You should:

- develop positive working relationships with the Chief Executive and the Executive Management Team
- not undermine or appear to undermine the authority of a senior officer in his or her dealings with a more junior member of staff
- maintain the highest standards of professionalism, fairness and courtesy in all your dealings with residents and other service users recognise their primary role is one of strategic direction, and not day-to-day operational matters
- avoid becoming involved in individual staffing and tenant matters. Unless you have specific and, where practicable, written delegated authority to do so, you must not individually give instruction or direction to any member of staff or contractor
- Where it is necessary to raise issues of staff, board or contractor performance, these must be raised constructively and through the appropriate channels.
- avoid inappropriate personal familiarity with members of staff
- not ask or encourage the commitment of wrongdoing, including any breach of this Code.

3.16 In addition, the Companies Act 2006 requires Board / Committee Members to consider the following:

- the long-term impact of their decisions

- the interests of the company's employees
- the impact of decisions on customers and suppliers
- the impact on the community and the environment
- the desirability of maintaining a reputation for high standards of business practice.

4. Prohibitions on acting as a Board / Committee Member

The Companies Act 2006 excludes the following from being directors:

- undischarged bankrupts
- people under the age of sixteen
- people disqualified under the Company Director's Disqualification Act 1986

Further restrictions may be imposed by Berneslai Homes' Memorandum and Articles of Association.

5. Conflicts of Interest

The obligations of Members to Berneslai Homes must not clash with obligations they owe to others.

5.1 *Statutory Requirements*

The Companies Act 2006 contains three basic requirements concerning conflicts:

- a general duty to avoid a conflict of interest
- a duty not to accept benefits from third parties
- a duty to declare an interest the director may have in a proposed transaction or arrangement with the company.

5.2 *Membership of Other Bodies*

A Board / Committee Member may be a member of a Tenants and Residents Association.

However, to avoid any conflict of interest, a Board / Committee Member must **not** be a member of the Tenant Voice Panel, Executive or Management Committee, or any similar body from time to time established for/by Tenants.

Members should therefore:

- be aware of their duty to declare any interest relating to their role, and take steps to resolve any conflicts that may arise
- resolve any conflicts in favour of their role as a Board / Committee Member and not in accordance with their private interests
- make relevant declarations of interest in relation to their role at Berneslai Homes and in relation to any role they may perform externally.

5.3 *Contractors*

Members must disclose all relationships of a business or private nature with external contractors or potential contractors. Orders and contracts must be awarded on merit,

by fair competition against other tenders, and no special favour should be shown to businesses run by, for example, friends, partners or relatives in the tendering process.

Members who engage or supervise contractors or have any other official relationship with contractors and have previously had or currently have a relationship in a private or domestic capacity with contractors, should declare that relationship.

This information should be given using a copy of the form Register of Board Member' Interests and also declared at the beginning of relevant meetings.

5.4 The procedure

- 1) Any Board / Committee Member having an interest (which shall include interests of Family members) in any arrangement between the Company and another person or body shall disclose that interest to the meeting before the matter is discussed by the Board / Committee. Unless the interest is of the type specified in Paragraphs (2) and (3) the Member concerned shall not remain present during the discussion of that item unless requested to do so by the remaining members of the Board / Committee. Unless permitted by Paragraphs (2) and (3) the Member concerned may not vote on the matter in question, but no decision of the Board / Committee shall be invalidated by the subsequent discovery of an interest which should have been declared.
- 2) Provided the interest has been properly disclosed pursuant to Paragraph (1) a Member may remain present during the discussion and may vote on the matter under discussion where the interest arises because:
 - i. the Member is a Tenant Representative so long as the matter in question affects all or a substantial group of the Tenants; or
 - ii. the Member is a director or other officer of a company or body which is a parent, subsidiary or associate of the Company; or
 - iii. the Member is an official or elected member of any statutory body.
- 3) A Member shall not be treated as having an interest of which the Member has no knowledge and of which it is unreasonable to expect them to have knowledge.

6. Complaints against Board / Committee Members

This part of the Code provides:

- a transparent, fair and consistent process for dealing with allegations of misconduct by Members
- a means to address inappropriate behaviour
- a form of appeal for Members in relation to disciplinary action taken against them.

It is recognised that:

- challenge and differences of opinion are positive; and
- Members bring a variety of skills and views to the table.

This is healthy and can add materially to the quality of the debate and the outcomes from it. Accordingly, legitimate disagreement and respectful appropriate challenge of either the Executive or other Board / Committee members are **not** grounds for action.

However, disagreement for the sake of it and inappropriate challenge are not behaviours that are expected of Members at Berneslai Homes.

The procedure set out below applies to all Board / Committee Members equally.

6.1 Grievances and Disputes

- a) It is hoped that Member disputes and grievances can be handled through candid discussions informally, outside of Board meetings.
- b) If a Member has a dispute with another Member that they cannot resolve informally or would like to raise a grievance, they may do so by contacting the Senior Independent Director (SID). If the grievance is regarding the SID, the Chair shall be contacted directly.
- c) The SID will arrange a formal meeting with the member to discuss the matter. The SID will be supported by the Chair, or the Chair of the Audit Committee if the grievance relates to the Chair. The Company Secretary and/or Chief Executive will provide governance advice, as appropriate.
- d) Following the meeting, a letter outlining the concerns and actions agreed will be provided by the SID to the member raising the grievance.
- e) If the matter is not successfully resolved, the SID will refer the matter and will appoint a Panel consisting of three Board Members (excluding those involved). The Panel will hear from both the SID and the members concerned. Following the meeting, the SID, or appointed Chair, will send a letter to the members raising the grievance outlining the concerns and the actions agreed. This action plan will be final with no further appeals or review.
- f) Should the recommendation of Panel be the removal of the members concerned, the Removal of Board Members Procedure will be followed.
- g) The process should conclude in a timely fashion.

6.2 Breaches

Any allegations of breaches should be raised and dealt with promptly and meetings/decisions should not be unreasonably delayed. Any allegations of breaches should be dealt with consistently, particularly in terms of being classed as either an informal or formal process and actioned in line with the appropriate procedure set out in section 7.

6.3 Types of Breach

Grounds where action may be taken include, but are not limited to, the following:

- a breach of this Code of Conduct.

- a breach of Berneslai Homes' equality and diversity policy.
- abuse of other Members of the Board / Committees, employees of Berneslai Homes or stakeholders to whom the company is responsible.
- failure to accept the principle of collective responsibility for Board / Committee decisions.
- making false statements.
- a breach of the duty of confidentiality.
- acting against the interests, aims and objectives of Berneslai Homes; and
- bringing Berneslai Homes into disrepute.

6.4 Taking Action

Action may be taken under the procedure set out below (section 7) where:

- the matter is so serious as to warrant it; or
- the Member has failed to remedy a matter reasonably promptly after a request from the Chair of the Board to do so; or
- there have been a series of breaches of a lesser nature.

7. Disciplinary Procedure

7.1 Any allegation of misconduct or complaint about a Board / Committee Member should be reported to the Chair of the Board (or the Chief Executive, if the complaint is about the Chair).

7.2 The Chair is to notify the Chief Executive promptly of any allegation or complaint to him/her.

7.3 The Chief Executive will, in the first instance, ask the complainant to provide written details of the breach. The Board / Committee Member against whom the allegation has been made will be provided with a copy of those details and be given the opportunity to respond.

7.4 The Chair, the Chief Executive and HR colleague as appropriate will agree whether informal or formal action should be taken depending on the severity and nature of the issue.

7.5 Informal Action

- a) Instances of minor misconduct or failure to fulfil responsibilities will be dealt with informally by the Chair (or the SID and Chair of the Remuneration Committee or Chair of the Audit & Risk Committee if the breach is committed by the Chair) usually taking place through direct discussions at a meeting between the Member, Chair and Chief Executive as appropriate.
- b) Examples of minor misconduct could include poor timekeeping or attendance, minor breach of company policy / procedure, poor performance.
- c) Any recommended action such as training, coaching or additional support will be agreed. The discussion will refer to the relevant part of this Code, detail the breach it is alleged has occurred and will be confirmed in writing.

- d) The Member will be advised of potential consequences / sanctions if there is a failure to improve over a reasonable timeframe as appropriate to the matter.
- e) The Member will be notified in writing of the informal discussion and any action recommended / taken. The Company Secretary will be notified in order to record the minor breach and action taken.
- f) If, within six months following notification of action taken, it is believed that a further act of misconduct may have occurred, the procedure may be repeated or referred by the Chair and Chief Executive to a formal procedure.

7.6 Formal Action

- a) If the matter cannot be resolved informally, the Chief Executive will then appoint an independent person to undertake an initial investigation.
- b) On completion of the initial investigation, the Chief Executive will appoint a Panel consisting of three Board Members (excluding the complainant). The Panel will hear the allegations made against the Board / Committee Member, review the findings of the initial investigation and allow the Member to state his or her case.
- c) Unless the Chair (or the Chief Executive, where the complaint is against the Chair) considers the circumstances are so serious to merit otherwise, no action will be taken against the Member until the Panel has heard the complaint.
- d) If, however, the Chair (or, where appropriate, the Chief Executive) does consider the circumstances are such to merit it, the Member may be suspended from office pending the Panel hearing.
- e) Prior to any hearing, the Board / Committee Member will be:
 - informed of the facts of the allegation at least ten working days in advance (unless a shorter period is agreed with him/her)
 - advised of his/her right to be heard
 - asked if he/she wishes to be represented at the hearing, and if so, by whom
 - given a copy of the findings from the initial investigation.
- f) At the Panel hearing:
 - the Chief Executive (or his/her representative) will present the findings of the initial investigation
 - if appropriate, the evidence of witnesses will be given
 - the Panel and the Member will have the opportunity to question the witnesses
 - the Member will have the opportunity to present his/her case, calling witnesses (if appropriate) in defence of the allegations or complaint
 - the Panel will have the opportunity to question the witnesses and/or the Member
 - the Panel will ask the Chief Executive and the Member (or their respective representatives) to make any final submissions.

- g) The Panel will then retire to consider the matter. This will be on the basis the burden of proof is the balance of probabilities.
- h) The Panel will decide by a simple majority whether or not the allegation or complaint has been substantiated. In the event of a tie, the Chair of the Panel will have a casting vote.
- i) If the allegation or complaint has been substantiated, the Panel will also decide the appropriate sanction or sanctions to impose.
- j) This decision is to be made by a simple majority, with the Chair of the Panel having a casting vote in the event of a tie.
- k) The Panel may either deliver its decision immediately following the hearing or postpone doing so to such later date as it may consider reasonable.
- l) In either event, the Panel will ensure the Member is notified in writing of the outcome of its deliberations no more than three working days after having reached its decision. The written notification is to include details of the right of appeal to the Board.

To note: A Board Member is liable to disqualification under the Company Directors Disqualification Act 1986 if found to be unfit to act as a Board Member. Further details can be found at <https://www.gov.uk/government/publications/company-directors-disqualification-act-1986-and-failed-companies>

7.7 Sanctions

If the Panel decides the allegation or complaint has been substantiated it will impose such sanction or sanctions set out below as it believes appropriate.

In reaching its decision concerning the sanction(s) to impose, the Panel will have regard to the gravity of the misconduct, any previously proven misconduct and the general record of conduct of the Member.

The sanctions that may be imposed by the Panel are:

- a single written warning
- a removal (or suspension for such period determined by the Panel) from any Committee or specific responsibility on the Board
- a suspension of Board / Committee remuneration for such period determined by the Panel
- a suspension from serving on the Board / Committee for such period determined by the Panel
- a recommendation to the Board for the Member to be removed from office
- such other sanction as the Panel may consider reasonably appropriate in the circumstances.

Any written warning will remain on the Member's record for such period as the Panel may determine.

If the sanction is a recommendation for removal, the matter will be referred to the Board for consideration in accordance with the terms of the Company's Memorandum and Articles from time to time.

7.8 Resignation

The ideal outcome is that the Member recognises that the relationship with Berneslai Homes is not working out and the Chair and Member mutually agree that the Member will resign. The resignation will be reported to the next Board meeting and the Services Agreement will be terminated forthwith.

7.9 Removal

If the above conciliatory approach does not work, then the following approach should be taken:

- The Chair will advise the Board of the performance issue with the Member concerned and that removal of the Member is the appropriate outcome for the Board
- At the next Board meeting the Chair will propose removal of the Member from the Board, which will require a majority decision in line with the Memorandum and Articles of Association (Article 20)
- The Services Agreement will be terminated at this stage.

7.10 Notification of Decisions

Notice of the result of disciplinary action against a Board / Committee Member will be given to the Council, as sole Member of the Company and the following:

- in the case of a Tenant Board Member, to the Tenant's Voice Panel
- in the case of a Council Board Member, to the Council's Chief Executive.

7.11 Appeals

A Board / Committee Member has the right to appeal a decision of the Panel to the Board. The appeal must be put in writing and lodged with the Chief Executive within ten working days of the decision. The notice is to specify the decision being appealed against, and the grounds for the appeal.

The Chief Executive will fix a date for the appeal, notify the Member of it and "convene a meeting of the Board excluding the original hearing panel, the appellant and the complainant". The chair of the hearing panel will present the case and the appeal will be conducted, so far as possible, in accordance with the procedure set out in paragraph 9 above. The Board will have power to:

- reject the decision of the Panel and over-turn the sanction; or
- ratify the decision of the Panel and the sanction imposed; or
- ratify the decision of the Panel but impose either a different sanction (higher or lower) or no sanction at all.

Following the decision of the Board, the Member has no further right of appeal.

7. Acceptance of Code

All Board / Committee (inc Co-optes) Members must accept and sign a copy of this Code to show they have understood the responsibilities they are undertaking.

Signed:

Date: