



Aberdeenshire *housing partnership*

**Code of Conduct:
Board Members and Staff**

FEBRUARY 2005

The Board has responsibility for all actions carried out by staff and Board Members. This responsibility encompasses

- **trusteeship of large sums of private and public money**
- **letting of homes**
- **development of affordable housing**
- **adherence to charitable objectives**

The Board must be determined that the conduct of the staff and members should show integrity and at all times avoid any suggestion of influence by improper motives.

This Code of Conduct includes the legal requirements (from Schedule 7 of the Housing (Scotland) Act 2001), and goes beyond these. High standards of conduct imply disclosure of matters that might conceivably be seen as giving rise to a duality of interest, and require Members and staff to uphold the spirit as well as the wording of the Code of Conduct.

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1. The Code of Conduct

Aberdeenshire Housing Partnership is a company limited by guarantee, holding charitable status. Its Memorandum makes it evident that its operations shall be carried out for the benefit of the community in Aberdeenshire. The Partnership's ultimate customers are the tenants who rely on the quality of its housing for their well being. It is appropriate therefore that the Partnership is seen to operate responsibly and with ethical integrity in its business conduct and in its corporate governance and it should avoid even the suggestion of impropriety. This should be so even when the law is permissive. In principle, there should be no risk to the Partnership's reputation if any details about its business affairs became public knowledge. At all times the Partnership's business must be conducted honestly and scrupulously, free of deception and fraud.

To these ends this code provides detailed guidance on the application to issues of business conduct of the policies of the Partnership for use by all board members and staff of the company.

1.1 Principles of Public Life

This Code of Conduct sets high standards of conduct and probity to which Members of the Board and staff must adhere, and also respects the seven principles of public life adopted by the Nolan Committee. Board Members and staff should comply with the following:

- **Selflessness:** take decisions solely in terms of the Partnership's values and mission. They should not do so in order to gain financial or other material benefits for themselves, their family or friends.
- **Integrity:** not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their duties.
- **Objectivity:** ensure that in the delivery of services, the appointment of staff or the awarding of contracts, they ensure impartiality and that choices are made on merit alone.
- **Accountability:** accept accountability for their decisions and actions to their residents, the providers of public funds and other stakeholders, and submit themselves to whatever scrutiny is appropriate.
- **Openness:** be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when individual or commercial confidentiality clearly so demand.
- **Honesty:** declare any private interests relating to their duties and take steps to resolve any conflicts arising in a way that is lawful, and protects the Partnership's reputation, values and mission.
- **Leadership:** promote and support these principles by leadership and example.

1.2 Disclosure of Interest

To show that they do not get improper personal benefits because of Aberdeenshire Housing Partnership activities Board Members and staff must disclose any interest.

Board Members and staff are required to disclose any interest in the register held by the Company Secretary. This covers any circumstances where the individual or a close

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relative/live in partner could in theory receive a personal or business benefit (other than expenses) as a consequence of an Aberdeenshire Housing Partnership activity. Staff in particular must be careful not to deal with a tenants case where a personal relationship exists for example, a friend, relative, member of a sports club etc.

The two main examples where a benefit could occur are:

- i) A Duality of Interest. This is where the circumstances could potentially bring about some personal or business gain.
- ii) A Conflict of Interest. This is where both an Aberdeenshire Housing Partnership interest and a personal/business interest do actually occur.

Both types of interest must be disclosed. Such interests could include the following

- a) An interest in any property being purchased by the Partnership.
- b) An interest in any company selling or being an agent for any property being purchased by the Partnership.
- c) A business relationship with any person or firm-earning fees from work placed by the Partnership.
- d) A business relationship with any person or firm entering into a contract to carry out work for the Partnership.
- e) Acceptance of outside positions (whether for a fee or not) in entities which compete with the Partnership

Disclosure of interest will be held in a register by the Company Secretary which will be open to public scrutiny.

In appropriate circumstances the Partnership encourages its Board members and staff to be active outside the company, subject to appropriate disclosure on interest.

1.3 Relationships with Tenants

Board Members and staff must be especially careful of relationships with tenants and never allow any personal relationship with a tenant to conflict with their best interests by bringing undue pressure to bear in matters concerning their rights as a tenant. Members and staff must therefore never allow themselves to be either compromised by, or take advantage of, their relationships with tenants. The relationship of trust must never be abused.

If a relationship exists, or could be perceived to exist staff must notify their manager who will decide if this gives rise to a conflict of interest or could be construed to give rise to a conflict.

Members and staff must not invite or influence a tenant to make a will or trust under which a Board member is named as executor, trustee or beneficiary. When handling a tenant's money they must take extreme care including receipting every transaction.

1.4 Acceptance of Gifts

The acceptance of gifts by Board Members and staff in their individual capacity could be viewed with suspicion by members of the public and make both Members and staff, and the Partnership vulnerable to criticism. Consequently, as a general rule, Board Members and staff should tactfully refuse offers of gifts.

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Modest gifts of a promotional nature, given by way of, trade advertisements to a wide range of people, are acceptable. These include calendars, diaries, tape measures, articles for office use, e.g. pens, ashtrays. Also acceptable are gifts, whether or not of a promotional nature, offered at the conclusion of a courtesy visit to a site or other premises and at times of traditional gift giving, for example Christmas.

It is considered a modest gift would not exceed a value in the region of £25.00 and any gift must be recorded in the Gifts and Hospitality Register.

In summary, if there is any doubt about whether a gift may be accepted, the gift should be politely and tactfully refused.

1.5 Offers and Acceptance of Hospitality

The Partnership's aim is always to act with the highest probity. It will not offer nor accept inducements to others in order to obtain an unfair benefit nor will it be party to a transaction which may result in an illegal payment being made. Nonetheless it acknowledges that in order to carry out its business effectively and pursue publicity and promotion, from time to time it is appropriate that the Partnership should either give or be in receipt of hospitality.

The following hospitality would generally be considered acceptable.-

- a) an offer of a drink following a site visit;
- b) hospitality offered by other non-commercial or charitable bodies, provided that there is a general understanding that no indebtedness will result from the acceptance;
- c) invitations at functions where the Board Member or member of staff represents the Partnership in an official capacity, for example, when invited to speak, opening ceremonies, trade shows;
- d) invitations to functions where attendance would be by virtue of the Board/Staff Member's position and as a representative of the Partnership;
- e) a working lunch where acceptance does not put the individual's personal integrity, or that of the Partnership, into question.
- f) hospitality of the "corporate entertaining" nature, for example, at sports, social or training events, or at conferences (where others are being simultaneously entertained) is acceptable if there is a general understanding that no indebtedness will result from acceptance.

Offers of hospitality that appear excessive or lavish would be refused and the offer reported to the Chief Executive.

Prior to accepting any offer of hospitality the views of the Chief Executive should be sought. Notification of all hospitality accepted by Board Members should be notified to the Company Secretary for recording in the Gifts and Hospitality Register.

A gift or hospitality shall be in breach of this code if:-

- it could be interpreted reasonably as being an improper inducement;
- it is unnecessary;
- it would not be considered nominal or moderate and is either too extravagant or too frequent;

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- it would be considered inappropriate to the responsibilities of the individual concerned;
- in the case of a gift or hospitality received, it would not be capable of reciprocation as a normal business expense;
- unless of a nominal value, there is no appropriate prior specific approval of the Board;
- it is not properly recorded, whether given or received, and
- it is unlawful and/or unethical.

1.6 Housing (Scotland) Act 2001 Schedule 7

Payments and benefits to Board members and staff, etc. A registered housing association which a company registered under the Companies Act 1985 shall not make a payment or grant to benefit to:

- a) a Board member (including a co-opted member) officer or employee of the Partnership, or
- b) a person who at any time within the preceding twelve months has been a person within paragraph (a), or
- c) a close relative of a person within paragraph (a) or (b), or
- d) a business trading for profit of which a person falling within paragraph (a), (b) or (c) is a principal proprietor or in the management of which such a person is directly concerned

except as permitted by this section.

1.6.1 Permitted Payments

The following are permitted subject to guidance by Communities Scotland :

- a) payments made or benefits granted to an officer or employee of the Partnership under their contract of employment with the Partnership;
- b) the payment of remuneration or expenses to a Board member (including a co-opted member) or to an officer of the Partnership who does not have a contract of employment with the Partnership.
- c) The granting of a new tenancy to a person, or a close relative of that person, who was a tenant of the Partnership prior to becoming a Board Member or employee
- d) Payments made or benefits granted with the approval of the Scottish Ministers acting through Communities Scotland (see 1.6.3)

1.6.2 Payment of Board Members' Expenses

On occasion Board Members may carry out official duties in relation to the Partnership's business, including attendance at conferences, courses and seminars (residential and non-residential) on behalf of the Partnership.

Travel should be by the most appropriate form of transport for the venue and distance involved. If a private car is used a mileage allowance will be paid in accordance with the

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casual user mileage allowances that are applied to staff and determined by the Partnership from time to time.

Members are asked to share lifts wherever possible in which case and provided that there is a cost saving to the Partnership, the mileage rate will be increased by two pence per passenger per mile for the user providing the vehicle.

In circumstances where, due to a Board Member's disability or particular difficulties in travelling, travel by public transport or the Board Member's own private car is not practicable, the Partnership will consider claims for the use of a private hire car or taxi. Payment for such claims will be at the discretion of the Finance and Business Support Manager.

The Partnership will meet claims for car parking fees in circumstances where adequate free parking is not available.

The payment of subsistence claims and out-of-pocket expenses for attendance at residential courses and conferences will be in accordance with the rates determined by the Partnership from time to time. Receipts will be required to support these claims and should be submitted with the appropriate form.

The Partnership will consider claims for reimbursement of the cost of telephone calls necessary in connection with the Partnership's business. Payment of such claims will be at the discretion of the Finance and Business Support Manager.

All claims for Board Members' expenses under this policy must be made on the form provided for this purpose and submitted to the Finance and Business Support Manager, whose decision on the payment of such claims shall be final.

1.6.3 Payment of Staff Expenses

Guidance on the payment of expenses to staff are detailed in the Staff Employment Manual.

1.6.4 Permitted Benefits

The circumstances in which benefits such as tenancies, contracts or contracts of employment may be granted are set out in detail in the Communities Scotland guidance note CSGN 2003/02 5/13. In brief, the benefits which may be given in the circumstances defined in the guidance note are as follows:

- Granting of a tenancy or a shared ownership agreement to a relevant person
- Granting a contract of employment to a former employee, or to a close relative of an existing employee, or to a close relative of a person who has been an employee or governing body member within the last 12 months.
- Making a specified payment to or carrying out work to the home of a relevant person which might otherwise be prohibited by Schedule 7.
- Making a severance payment to an employee outwith the terms of their employment contract

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- Making a payment or granting a benefit to a relevant business. Making a payment for loss of earnings to a Board member.

Broadly, such benefits may only be granted where it is clear that the person receiving the benefit is not being given any priority or beneficial treatment because of their connection with the Partnership. Any benefit granted must be within the stated limits and must be in accordance with the objects of the Partnership.

When any such benefit is granted it must be following a decision of the Board which must be minuted. The decision must be recorded in a register kept for the purpose along with a copy of the extract from the Minutes of the Board meeting. If the decision-making is delegated to a subcommittee, it must be reported to the Board and recorded as above.

1.7 Financial Grants and Loans

Keeping personal monies totally separate from Aberdeenshire Housing Partnership money and work will avoid problems. Only normal expenses can be paid by Aberdeenshire Housing Partnership.

Board Members may not receive any payment, grant and loan from any funds associated with Aberdeenshire Housing Partnership except under the reimbursement of expenses under current Aberdeenshire Housing Partnership procedures and rates. Board members and staff must avoid being in financial indebtedness to the Partnership.

Board Members and staff may not receive loans from tenants and may not give loans from their personal money to staff, members or residents.

1.8 Confidentiality

The Partnership's work involves confidential information about its customers and the Partnership's business and Board Members and staff must respect that confidentiality.

Board members and staff must treat as confidential:

- information concerning people - tenants, staff, applicants, etc.
- those matters of Aberdeenshire Housing Partnership business which are defined as confidential or commercially sensitive,
- matters of funders' or referral agents' business.

Except when sharing information within the Partnership for the better performance of its business, confidentiality should be maintained as appropriate at all times.

The Partnership's information (whether technical, commercial, financial personnel and other) must not be disclosed so as to place the Partnership at a potential or actual commercial or other disadvantage, or for the benefit of another party who is not entitled to receive it.

Where it is essential that information is released outside Aberdeenshire Housing Partnership, it must be with the express consent of the individual concerned, except in meeting overriding legal requirements. If in doubt, the Chief Executive or the Chairman must be consulted.

All of the Partnerships Board members, employees and contractors must act so as not to jeopardise

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- a) the rights of staff and others under the privacy legislation and
- b) the responsibilities and restrictions which apply to the Partnership under data protection and other legislation.

1.9 Aberdeenshire Housing Partnership Aims and Values

Aberdeenshire Housing Partnership's work and reputation relies on all Board Members and staff upholding and promoting the Partnership's aims and values.

All parts of the Partnership should work to the same aims and uphold the same values. Therefore the Board will publish these in its handbooks and newsletters and in other ways. Members are required to incorporate these in their conduct in relation to Aberdeenshire Housing Partnership.

1.10 Political Activities

Aberdeenshire Housing Partnership's work may take the Partnership into the political arena but Board Members and staff must ensure that they demonstrate its non-political nature and they must keep any personal political activities totally separate from Aberdeenshire Housing Partnership work.

Board Members and staff may well be involved in their private lives, in political activity. At the same time they must be aware that the Partnership is non political. They must ensure that Aberdeenshire Housing Partnership itself cannot be brought into the political arena or its reputation or status damaged by their personal political activities.

When making any political representation, Aberdeenshire Housing Partnership must clearly be seen as presenting a balanced case in support of the Partnership's key objectives - to provide good homes and quality housing services for people in housing need.

1.11 Purchasing

Board Members and staff must avoid suspicion of preferential treatment of suppliers by separating their private purchasing from Aberdeenshire Housing Partnership.

The Partnership should endeavour to ensure that equivalent standards to those set out in this Code are followed in companies in which the Partnership has an interest but does not have control and also in those businesses with which the Partnership has a contractual relationship through adherence the procurement policy.

1.12 Equal Opportunities

Aberdeenshire Housing Partnership is committed to achieving equality of opportunity in every area of its work. The Partnership's aim is that everyone should be treated fairly.

Board Members and staff should be aware of the Partnership's Equal Opportunities policy. They should also be aware of the scope for discrimination in the granting of tenancies, contracts of employment, and contracts for services. Members and staff must follow established procedures when involved with such issues, to prevent either direct or indirect discrimination from occurring. The Partnership monitors the ethnic origin, gender and disability profile of members and of households seeking and receiving accommodation. Board Members and staff are encouraged to supply this information. The aim is to ensure Aberdeenshire Housing Partnership reflects the communities it serves.

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1.13 Dress and Conduct

All Members and staff who represent the Partnership are expected to dress and conduct themselves appropriately for the duty or function that they are carrying out or attending. In cases where there is doubt the relevant manager will be responsible for agreeing appropriate standard of dress having considered, for example, the health and safety of the individual and the image of the Partnership.

1.13.1 Personal and Individual Responsibilities and Conduct

Board Members and staff are required annually to re-affirm their commitment to the Code of Conduct, and to the Partnership, its aims and objectives, policies and procedures.

Members of the Board are required to have knowledge of the role of the Board as detailed in its Memorandum and Articles of Association. They should be aware that the Board is a team, and that it can only be effective if it is pulling in the same direction and can resolve any differences of opinion amicably. The SFHA Committee Members Handbook provides detailed guidance and is available to all Members.

The Board needs a wide range of skills and experience and will only function effectively if each member is committed to contributing fully. Contribution is about Members using their skills, experience, and time to help the Board collectively to reach good decisions, usually by a consensus. Board Members must accept and share a responsibility for all Board decisions and cannot pick and choose those with which they would like to be associated. There will be opportunities for Board Members to change, alter and amend decisions in an appropriate manner, but Members may wish to consider their position if they have major issues with the strategic direction of the Board.

Board Members and staff need to ensure that in their actions and decisions they are open and accountable to the general public as well as to the many organisations and individuals who have a more direct interest in their work, such as tenants, local communities, local authorities, central government, and other interested parties. However, they should also be aware of the need to protect the Partnership's integrity by respecting the confidentiality of the information they receive, particularly in respect of tenants during meetings of the Board (see Section 1.8 Confidentiality).

1.13.2 Conduct at Meetings

Members and staff will observe respect for the Chairman of the Meeting at all times in accordance with the Partnership's Standing Orders. The Chairman's decision on length of speeches, debate and closure of debates will be final, and will ensure that members are given adequate opportunity to debate all items on the agenda. The Chairman has the discretion, subject to prior agreement, to allow items to be included in the Agenda as "Any Other Business" and his/her ruling in this respect is final.

1.13.3 Conduct Outside of Board Meetings etc

Board Members should be willing to attend training events, individually or with the Board, in order to expand their knowledge and to keep up to date. There may also be occasions when it is necessary to attend other meetings, such as consultation with tenants or other residents, or to represent the Partnership about the business of the organisation. When acting as a Member of the Board, Members should act, and be seen to act, properly and in the interests of the Partnership at all times.

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1.14 General

In all cases where Board Members' and staff personal conduct might be viewed as conflicting with their work for Aberdeenshire Housing Partnership, they are required to disclose details to the Chief Executive or the Chairman as appropriate and enter details in the Register of Interests. Advice on any matter in this Code of Conduct should be sought first from the Chief Executive or the Company Secretary.

This will include where staff activities outside work which may impact upon the perception of their conduct whilst work for the Partnership. Examples would include public disorder offences, bankruptcy proceedings, encounters with tenants that may affect the ability to maintain a professional relationship in the future.

In any case of uncertainty, members should always make an entry in the "Disclosure of Interest Register".

1.15 Failure to Follow Code of Conduct

Board Members and staff should recognise that failure to follow this Code of Conduct may damage Aberdeenshire Housing Partnership and its work and so will normally be viewed as a disciplinary matter.

1.15.1 Board Member's Failure to Comply with the Code of Conduct

In the case of a Board Member's failure to comply with the Code, action will be considered in accordance with the Partnership's Articles of Association. The Articles of Association of the Partnership lay down procedures for the removal of an individual from the Board by the vote two thirds of members at a extraordinary general meeting set up for the purpose (see Paragraph 10 of the Articles).

Actions and behaviour deemed to be against the Code of Conduct may include:

- failure to observe respect for the Chairman of the Partnership
- making false statements
- acting against the interests, aims and objectives of the Partnership
- continuous campaigning against Board decisions or policies
- failure to honour previous commitments
- abuse of other Members of the Board or staff
- losing the confidence of other Board Members

This list is not exhaustive as it is impossible to foresee every potential situation which may occur, and it would be a matter for the Board to decide, dependent upon the circumstances of each particular case.

1.15.2 Member of Staff's Failure to Comply with the Code of Conduct

In the case of a member of staff's failure to comply with the Code, action will be considered in accordance with their contract of employment and the provisions of the Employment manual.

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1.16 Conduct in the Community

The Partnership accepts as a fundamental principle that it has a general duty to avoid conduct prejudicial to the best interest of the communities where it does business. It is committed to improving the well being of tenants, to use its best endeavours to improve community life. The Partnership believes that a positive approach to community life is in the best long term interests of the company, of those who work within it, and its present and future tenants

2 Responsibility

- 2.1 All Members and staff have an individual responsibility to comply with the Code of Conduct. Any proposed action which appears to be in breach of any requirement of this Code should not be progressed without full disclosure to and prior approval of the chairman. Appropriate behaviour which is in compliance with this Code and also specifically approved departures from this Code will be supported by the company under the principle of collective responsibility.
- 2.2 The duty of compliance with the Code includes a duty by both Board and staff and the Partnership to raise any concerns you may have on any matter of business conduct which appears to be a violation of this Code and in which you are actively involved. In addition both Board members and staff have a right to raise similar concerns about the conduct of others even where they are not directly involved. Usually individuals should raise the matter of concern with their immediate supervisor at the earliest opportunity. At your discretion you may raise your concerns directly with a Board member if you are an employee or with the Chairman if you are a Board member and should do so where an issue remains unresolved to your satisfaction after you have consulted your immediate superior about it.
- 2.3 The overall responsibility for the effective implementation of the Code lies with the Chairman of the Partnership and the Chief Executive.

3. Consultation

- 3.1 Any proposed changes to this Code will, before implementation, be fully discussed with Members of the Board and staff.

4. Review

- 4.1 The Code will be reviewed every three years, or in the light of any legislative changes, or Communities Scotland requirements.