



## BOARD CODE OF CONDUCT

<b>Lead Manager:</b>	Managing Director
<b>Responsible Senior Manager:</b>	Managing Director
<b>Approved By:</b>	STAR Board
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## 1. INTRODUCTION

Proper conduct by Board Members is vital to good governance. The Board and its individual Members have duties to the company, Shropshire Council (as shareholder), customers, staff, contractors and the wider community.

You will carry out your role work guided by the values of Shropshire Towns and Rural Housing (“the company”) and in compliance with this Code, company policy, the law, statutory guidelines and regulations.

This Code applies to all Board Members and Subcommittee Members of STAR Housing. In this Code we refer to them as “Board Members” and “you”.

Board Members are regarded as leaders both within STAR Housing and amongst our stakeholders, including our customers, regulators, funders, our partners (including local authorities) and the public at large. Our conduct reflects directly onto the company, and the way we behave can have reputational as well as legal implications for us

This Code provides clear information on what is expected of you and the support you can expect from the company. These expectations have their roots in the Nolan Principles of Public Life, and we expect Board Members to be guided by these at all times. They are:

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

## 2. IMPLEMENTATION OF THE CODE

It is your responsibility, both individually as Members and collectively as a Board, to ensure you follow this Code and all the policies and procedures of STAR Housing.

There are various ways in which you will be supported to achieve this objective. They are:

- You and other Board Members will be provided with a copy of the Code.
- You will receive further guidance and training to understand your duties and responsibilities and how to discharge them. Members must endeavour to attend all training provided by STAR Housing to assist them in carrying out their duties.

- If you need further information or advice on this Code or any other issues, you should discuss this with the Chair or the Managing Director or the Director for Finance and Resources as soon as possible.

The Chair of the Board, the Managing Director and the Director for Finance and Resources will monitor compliance with the Code and will take any appropriate steps to ensure compliance.

There may be situations where this Code does not address a particular situation you find yourself in. In such a situation, you should seek specific advice from the Chair of the Board, the Managing Director or the Corporate Director as to the right course of action.

### 3. THE CODE OF CONDUCT

#### Conduct of Board Members

STAR Housing must maintain a reputation for high standards of conduct. Board Members must sign a letter of commitment confirming that they will fulfil their obligations, as set out below:

#### Your obligations:

- Uphold and promote the vision and values of STAR Housing.
- Comply with the law, the terms of your service agreement or employment contract (as applicable) and the company's policies and procedures, with which you should be familiar.
- Do not do anything that cannot be justified to the Board, tenants, staff or the organisations that work on behalf of the company or the wider public. You remain accountable for your decisions and actions, which may be subject to scrutiny.
- You should not act or take decisions to gain financial or other material benefits for yourself, your family or your friends. You must declare and resolve any interests and relationships.
- Avoid situations that could cause suspicion of improper conduct and not put yourself under any obligation to people or organisations that might try inappropriately to influence you in your work.
- Declare any conflict of interest in accordance with the company's **Constitution**. If there are frequent conflicts of interest, you should consider resignation.
- Comply with the Company's policies on, **Anti-Fraud** and **Anti-Bribery and Corruption**.
- Ensure that the facilities and resources of the company are used only as appropriate and in line with your duties as a Board Member and are not used for personal gain.
- Promote equality, diversity and inclusion, including by not discriminating unlawfully against any person.
- Treat others with respect.
- Support other Board Members, especially new appointees.
- Do nothing to compromise the impartiality of those who work for, or on behalf of, the Company.
- Ensure that you and, by directing and supervising the Company's affairs, STAR Housing act honestly and in compliance with all legal and regulatory obligations.
- Uphold the Board Code of Conduct.

- Fulfil your duties as a Board Member by working in accordance with your role description, attending meetings and undertaking training and appraisals as required. You must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- Inform the Chair and the Directors as soon as possible if you believe that you or any other Board Member may not have complied with the Board Code of Conduct.
- In carrying out actions or making decisions in the performance of your role, you must consider the environmental impact of your decisions and where you are able, seek to achieve positive environmental outcomes.
- You should consider the long-term environmental impact of your decisions.
- Make and keep informed about the developments in the wider sector industry and any new legal requirements to be fulfilled.

### **You must not:**

- Take any action which would undermine decisions made collectively by STAR Housing's Board.
- Disclose information which is either given to you in confidence, is confidential in nature or you believe to be confidential, without the consent of a person authorised to allow its disclosure (unless you are required by law to do so). This duty continues to apply after you have left the Board.
- Misuse information gained in the course of your Board membership for personal gain or for political purpose.
- Prevent someone from gaining information that they are entitled to by law, or act in a manner which could reasonably be regarded as bringing your office as a Board Member or the company into disrepute.

### **Conduct at meetings**

Full guidance on conduct at meetings can be found in the **Board Meeting Guidance Notes**.

#### **In summary, the following apply:**

- Board Members must make every effort to attend all meetings.
- Board Members should give the Managing Director and/or Governance and Risk Manager at least three working days' notice of absence from a meeting to minimise the potential of an inquorate meeting.
- Board Members should prepare for meeting and decisions should be based on papers circulated to Members in advance of meetings and liaising with report authors as appropriate.
- Points for decision should be clearly identified in those documents.
- Board reports should be presented as clearly as possible and provide sufficient information to enable informed decision making.
- Board Members must not deal with any matter that might impair or appear to impair their ability to make objective and fair decisions.
- Board Members must ensure adequate deliberations take place before approving related party transactions, and that such decisions are in the best interest of the

- company.
- Decisions will be recorded in the minutes.
- Board Members should follow the guidelines in the **Board Members Meeting Guidance Notes**. This includes being courteous and respecting each other's views.

**Good meeting behaviour includes:**

- Attend meetings as required.
- Prepare for meetings.
- Act as a team.
- Be impartial.
- Always be respectful but challenging.
- Take an active part in the meetings.
- Be positive and discrete.
- Focus on strategy.
- Allow other Board Members and colleagues to contribute and respect their opinions and views.
- Speak courteously.
- Don't cross talk or interrupt others.
- Don't use offensive, racist, threatening language or make personal remarks.
- Respect the Chair's rulings.
- You should act as a 'critical friend' during meetings, challenging colleagues politely where appropriate, providing constructive advice and upholding the values and mission of the company at all times.
- Once a decision has been made, you are expected to stand by the decision and not undermine it, even if you personally disagree.
- We will have particular regard to the needs and safety of our current and future customers in our discussions and decisions as Board Members and as a Board and we will pay due attention to our Tenant Voice Strategy in this respect.

#### **4. LEARNING AND DEVELOPMENT**

On appointment, you will be required to undergo an induction programme. You are expected to digest and understand any induction information provided to you, and you will be given an opportunity to discuss any questions or concerns with the Chair or Company Secretary.

You are responsible for your own learning and development, ensuring you have the requisite skills and knowledge to carry out your role effectively. You must attend all training, learning and development sessions arranged for you unless there are exceptional circumstances.

You will be required to undergo evaluations and must play an active part in this. You must be honest and clear about any training and development needs so that this can be considered when planning and budgeting.

Concerns about learning and development should be raised with the Chair or the Managing Director.

## 5. CONFIDENTIALITY

Openness and accountability are part of the ethos of STAR Housing. Providing full information to the public is important because the company receives public funding. Information should be withheld only if there is an issue that requires confidentiality, perhaps because it is sensitive in a personal or commercial way, or where its disclosure is restricted by legislation.

You may become privy to confidential information obtained through your role. This may be information relating to, but not limited to:

- People, including colleagues, customers, applicants and other stakeholders.
- The company's business.
- Other organisations that the company works with.
- Funders and other stakeholders and partners.

STAR has a **Data Protection Policy**, this incorporates a **Data Loss Procedure**, and a **Freedom of Information Act Policy** that set out further advice on handling information. You are expected to understand and comply with the requirements in these policies. Any breach of these policies will be treated as a breach of this Code.

Members may seek clarification of the confidential nature of the company's business at any time from the Chair of the Board, the Managing Director or the Corporate Director.

Any information deemed to be confidential must not be released unless authorised by the Governance and Risk Manager.

Whilst the Board should be as open as possible about decisions and actions that they take, Board meeting discussions are confidential. The Chair shall determine when and what information can be released in the interests of keeping members and stakeholders informed.

When you leave your role as Board Member, you must either return all the paperwork relating to STAR Housing's business (including Board papers and minutes) or agree the method of disposal with the Managing Director or Corporate Director should this be required.

## 6. BOARD MEMBERS DEALING WITH CUSTOMERS

You must maintain a high standard of professionalism, respect and fairness in your dealings with customers.

You must never allow yourself to be compromised by any relationship with customers.

You must maintain a professional relationship with customers and avoid over-familiarity. You must be particularly careful of protecting the relationship of trust between Board Members and customers and avoiding any perception of abuse of trust, for example, by acting as the executor of their will or handling money for them.

Board Members must not lobby on a customer's behalf or show any preference to particular customers, groups of customers or neighbourhoods.

You must not give personal gifts or loans of money to or receive loans or gifts of money or otherwise from customers.

You must have regard to the Data Protection Policy when dealing with sensitive or confidential information relating to customers.

You must not, in any circumstances, expose our customers to harm or jeopardise their health or safety and must in your capacity as a Board Member ensure that we comply with our Health and Safety Policy and any other policies and procedures we have in place to safeguard them and protect them from harm

Any enquiries from customers that you receive should be signposted to the appropriate member of staff for action. Board Members must not handle customers' money.

## **7. BOARD MEMBER CONTACT WITH COLLEAGUES, STAFF AND CONTRACTORS**

All Board Members, staff and contractors should be courteous in their dealings with each other and maintain a professional, respectful and constructive relationship with them.

You must uphold the Code of Conduct and the Company's values when dealing with staff and contractors. Board Members must consider the potential impact of any comments they make and remember that these reflect on the company because they are its ambassadors.

You must not harass, intimidate or use offensive or threatening language with anyone (colleague or otherwise) in the course of your duties.

You have a duty of loyalty and support to colleagues/fellow Board Members. Should an issue arise between you and a colleague, you should refer this immediately to the Chair, or the Chair of the Finance, Audit & Risk subcommittee and/or Chair of the Human Resources and Remuneration subcommittee who should deal with it in a confidential and constructive way.

If you become involved in a relationship with another Board Member or colleague, you must declare this to the Chair or Managing Director at the point that the relationship could reasonably be considered serious and update your declarations of interest.

As a Board Member you should not become involved in operational matters that are the responsibility of paid staff. You should be sensitive to the workload and duties of staff members in your dealings with them and to the relationship between senior and junior staff, being careful not to undermine the authority of managers.

You must not seek to obtain confidential information about or from, or (seek to) unduly pressure or influence staff or fellow Board Members or do anything that could be interpreted as doing so.

If you are a Tenant Board Member dealing with an aspect of your tenancy, then you should follow the normal procedures for customers. There will be occasions when you need to consider whether you are acting as a customer or a Board Member and whether the situation presents you with a conflict of interest.

You must not jeopardise the health, safety or wellbeing of any staff/fellow Board Members and must adhere to the policies and procedures in place to safeguard and protect staff/fellow Board Members from harm

If you have any questions about this you should discuss them with the Chair, the

Managing Director or the Corporate Director as soon as possible.

## 8. DISCLOSURE OF INTERESTS

Under company law, Board Members have a duty to avoid situations where actual or possible conflicts of interest with the company might arise. To demonstrate that Board Members do not benefit personally as a result of their positions, they are required to sign a **Declaration of Interests** on first joining the Board and then on an annual basis or whenever an interest arises. Declarations are available for public scrutiny.

Board Members will be subject to the provisions of the Companies Act 2006 in relation to conflicts of interest and how they are managed. Specifically, Board Members have a duty to:

- Exercise independent judgment.
- Avoid conflicts of interest.
- Not to accept benefits from third parties.
- Declare any interest in a proposed transaction or arrangement.
- Declare any interest in an existing transaction or arrangement.

**It is your responsibility to ensure that you are familiar with the Company's rules on handling conflicts of interests, that you comply with these rules and that your Declaration of Interests is accurate and up to date.**

As a rule, a conflict of interest exists if a member of the public could reasonably conclude that your judgement may be biased. This can happen in two ways:

- because you or your friends or family stand to gain or lose from a Board decision (a personal interest); or
- if your interests could prejudice your judgement on an issue (a prejudicial interest).

It is important to note that a perceived conflict of interest can be as damaging to the Group as an actual one, and we therefore need to treat both with equal seriousness. You must continuously be mindful of what could be considered a real or perceived conflict of interest or regarded as a personal benefit.

All types of interests must be disclosed and could include the following:

- allocating housing to a family member.
- awarding a contract to a spouse or relative.
- employing a family member.
- interests in any property being purchased by the Company.
- interests in any company selling or acting as agent for any property being purchased by the Company.
- business or personal relationships with any person or firm earning fees from work placed by the Company.
- business or personal relationships with any person or firm entering into a contract to carry out work for the Company.

Note that there are specific exemptions to the above for the special roles of Tenant and Staff Board Membership that are set out in the Constitution Articles 52 and 53.

Some interests are seen as incompatible with Board membership. This is where there is

any financial interest personally or interest as a member of a firm or as a Director or senior employee or an interest in any contract or other transaction of the Company. Note that this would include a role as a Board Member or a Directorship of any other housing provider that has, or seeks to have, a significant property portfolio within Shropshire.

If you have a role or responsibility which gives rise to a serious or a persistent conflict that requires you to abstain from Board meetings or decision-making, you must consider either resigning from the Board or stepping down from the external role/responsibility.

If you are in doubt, you should declare an interest. Conflicts of interest can arise in many situations so if you are unsure about whether you should declare an interest, please contact the Managing Director or the Corporate Director.

Note that to avoid accusations of conflict of interests you should not use STAR Housing contractors or staff to carry out any service for you in a personal capacity unless it is unavoidable (e.g. in a monopoly situation). If this is unavoidable then written permission should be obtained from the Chair.

## **9. DISCLOSURE OF INTERESTS – PRACTICE AT MEETINGS**

Full guidance on practice at meetings is contained in the **Board Meeting Guidance Notes**.

All Board and subcommittee agendas include the item 'Declarations of Interest'. This is the point at which you should make known any personal or prejudicial interests you have in the items on the agenda. If your declaration of interests is deemed prejudicial, you will be asked to leave the room during discussion of the issue and you will not be able to vote on it.

### **Gifts and hospitality**

Giving and accepting hospitality or gifts may undermine the integrity of STAR Housing. You should avoid doing so except in very limited circumstances.

Receiving gifts and hospitality must be within the terms of the **Anti-Bribery and Corruption Policy**. A copy of this policy will be made available to you and will form part of this Code. Any failure to follow the policy will be a breach of this Code.

### **Remuneration, payments, grants and loans**

Remuneration and decisions relating to it must be lawful, transparent, fair and proportionate, in accordance with the company's policies and procedures

You may not receive any payment, grant or loan from any funds associated with STAR Housing except reimbursement of expenses under current procedures and payments made to the Chair as agreed with the Council. If you are a Tenant Board Member and a payment, grant or loan is made available to you as part of STAR Housing's tenancy management processes (e.g. support to downsize), this will be allowable with the agreement of the Chair.

You may not receive loans from customers and may not give loans from your personal money to staff, other Board Members or customers.

If you have any queries as to whether any payment, grant or loan is permissible then contact the Managing Director or the Corporate Director.

You may only be remunerated under a contract for services or as permitted by this Code, any policies or procedures or the company's governing document.

Remuneration decisions shall be made by the Human Resources and Remuneration subcommittee in accordance with the company's Constitution.

The Board shall have oversight on all remuneration decisions, particularly those relating to the remuneration of the Managing Director.

Decisions regarding discretionary non-contractual payments must only be made if it is in the interests of the company to do so. The decision-makers must have access to all relevant information to enable them to make the decision. The decision must be carefully scrutinised to avoid any suggestion of impropriety, conflicts or discrimination.

### **Bribery and fraud**

Board Members and staff are strictly prohibited from making, soliciting or receiving any bribes or unauthorised payments, as set out in STAR Housings **Anti-Bribery and Corruption Policy**

Board Members and staff must adhere to the procedures set out in the **Anti-Fraud and Anti-Bribery and Corruption Polices**.

**The key principle is that you must not offer, seek or accept bribes or inducements to act improperly or corruptly, or do anything that could be perceived in this way. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate, implementing, and enforcing effective systems to counter bribery and corruption**

### **Political activities**

It is accepted that you may be involved in your private life in political activity. You must remember that STAR Housing is politically neutral. You must not allow party political or other affiliations to influence your judgement in a way that is in conflict with the best interest of the company.

If conflicts of interest arise these must be disclosed as set out above.

On matters directly related to the work of the Company, you should not make political statements or engage in any other political activity, and in your role as a Board Member you should be even-handed in all dealings with political parties.

You must ensure that the company is not brought into the political arena or its reputation or status damaged by your personal political activities.

## **10. MEDIA AND REPRESENTING STAR HOUSING**

You are required to act as an ambassador of the company, upholding its mission and values and acting in its best interests at all times whether in person, in the media or social

media.

You must protect and safeguard the company's reputation by considering the implications and perception of your actions. You must not become involved in, or be seen to endorse, any activity that may bring the company into disrepute. This includes but is not limited to illegal, immoral, racist or other discriminatory activity.

All media requests must be dealt with through our communications contractor. If you are asked by the media to comment on issues relating to STAR Housing, you should refer them to either the Managing Director or the Corporate Director. Do not contact the media in your capacity as a Board Member without the prior consent of either of these two Directors. This includes but is not limited to any requests to make statements:

- On television, radio, podcast or any other form of broadcast.
- By writing letters to the press or other recipients.
- By writing media articles, blog post, social media posts.

The requirements of this Code will not be met by making a written or verbal statement stating that the views expressed do not represent company. The company may take action despite any such statement being made.

You must ensure that your social media profiles do not contain anything that would bring the company into disrepute or that is contrary to its values and mission. The company reserves the right to request that you remove posts that are deemed contrary to the company's values. Refusal to do so may be considered a breach of this Code.

## 11. EQUALITY, DIVERSITY AND INCLUSION

Equality laws prohibit discrimination on grounds including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The law imposes positive duties to eliminate unlawful discrimination and promote equality. The company is committed to promoting equal opportunities in employment

STAR Housing is legally obliged as an employer and housing provider to operate on the basis of equal opportunities. The company has an **Equality, Diversity and Inclusion Strategy** covering all areas of its work. You should actively promote the principles outlined in the Strategy and ensure that all Board decisions adhere to its principles.

## 12. HEALTH AND SAFETY

STAR Housing are committed to establishing and maintaining a safe and healthy work environment for our Board Members. As Board Members you have a duty to take reasonable care for your own safety and that of others who may be affected by what you do or fail to do. You must cooperate with STAR Housing as far as is necessary to enable the Organisation to carry out its duty under the Health & Safety Act 1974. STAR Housing has a **Safety, Health and Environmental Management Policy** including our **Health and Safety Statement** which sets out roles and responsibilities including the role of Board Members. See our intranet for more details: [SHE Policy 2025.pdf](#).

### 13. USE OF RESOURCES

Resources include, but is not limited to, funds, equipment, staff, information, IT equipment and facilities, telephone and any other communication devices and facilities, premises, stationery, transport, cash of any value that the company allows you to use in the course of your duties.

You must not misuse or be perceived to misuse resources. Any resources supplied by the company must be kept in excellent condition and returned to the company on the cessation of your role.

You must use the company's resources with care and efficiency and having regard to the company's Sustainability Strategy

You must protect the company's resources from theft, misuse, damage and abuse and have regard to the Data Protection Policy whilst using them.

You must comply with the company's policies and procedures relating to the use of resources.

### 14. WHISTLEBLOWING AND COMPLAINTS

The Board must ensure the company has proper arrangements for the referral and determination of complaints and concerns about misconduct, ethics or probity within the organisation. The company has an up-to-date **Whistleblowing Policy**, and all staff, Board Members and contractors are made aware of this as well as the protection they are entitled to if they need to use it.

You must raise any concerns you have about the company's compliance with law or regulation with the individual stipulated in the company's Whistleblowing Policy in confidence.

If you become aware of potentially dishonest, fraudulent, criminal activity or material breaches of this Code by another Board Member, you must report it to the individual stipulated in the company's Whistleblowing Policy.

You must not be coerced into acting in a way that conflicts with this Code. If you feel that you are, you must report it to the Chair or another appropriate Board Member.

You must not victimise or harass any individual who has used or intends to use or is suspected of having used the company's Whistleblowing Policy to report any activity.

If you believe there has been a breach of this Code, you should report it to Chair and notify the Managing Director or Corporate Director. If you are in doubt as to whether there has been a breach, you should report your concerns and seek advice from an appropriate person.

A Board Member who makes a report to the appropriate person, in good faith, will not be penalised regardless of the outcome.

In the event of any breach, or allegation of a breach of the Code, the matter shall be investigated by the Chair or other appropriate senior person, and, if appropriate, a report shall be submitted to the next board meeting. Subsequent action will be considered in accordance with the Company's governing document.

## 15. DISQUALIFICATION OF BOARD MEMBERS

Any Board Member who would be disqualified under the Companies Act 2006 (or any replacement or subsequent legislation) is disqualified from Board membership. Other criteria for disqualification are set out in Article 40 of the Company's **Constitution**. A serious breach of the Code of Conduct may result in removal from STAR Housing's Board.

If any Tenant Board Member is in serious breach of their tenancy obligations, they may be disqualified from Board Membership as set out in Article 40.10

Any complaints or allegations about the conduct of a Board Member either in their board role, or other circumstances will be notified to the Chair of the Board who will decide whether the case should be investigated as a breach of the Code.

Breaches of this Code of Conduct may result in disqualification following investigation and, if necessary, a hearing to determine the outcome of the complaint.

## 16. DISCIPLINARY PROCEDURE FOR BOARD MEMBERS

As a Board Member you have a responsibility to avoid any suggestion of impropriety or misconduct. Matters such as conflicts of interest, bribery and fraud, or the acceptance of gifts or hospitality, are particularly sensitive and are addressed specifically within this Code.

Complaints made about a Board Member's conduct should be submitted to the Chair and notified to the Managing Director or Corporate Director.

Note that if a complaint is made about a Board Member using another process (e.g. complaint about conduct of the tenancy in the case of a Tenant Board Member or the conduct of their employment in the case of a staff Board Member) and where there is no specific mention of Board membership in the complaint, it should still be considered by the Chair who will decide whether the case should also be investigated as a breach of the Code.

If the complaint is regarding the Chair, it should be sent to the Chair of the Finance, Audit and Risk subcommittee and/or the Chair of the Human Resources and Remuneration subcommittee and copied to the two Directors.

The initial assessment of the complaint will establish if a formal investigation should take place and a Conduct Panel should be convened.

If a panel is convened, it will establish the facts and ensure that the Board Member has the opportunity to put his or her case. The panel will follow the **Board Member Complaints Procedure** (see *Appendix 1*).

The Board has the power pursuant to Article 33 to suspend a Board Member in connection with any complaint raised against them or for the purposes of investigating whether circumstances may have arisen by which the Board Member is not eligible to remain a Board Member in accordance with Article 32. The Board shall have the power to determine the terms, nature and duration of any such suspension, provided that the duration of such suspension must be reasonable in the circumstances.

## **17. REVIEW OF THE CODE**

This Code will be reviewed by the Board at least every 3 years.

# APPENDIX 1: BOARD MEMBERS COMPLAINTS PROCEDURE

## 1. Complaints Regarding the Conduct of a Board Member at a Meeting of the Board

- 1.1 Where a breach of the Code takes place at a meeting of the Board, the Chair of the Board, may propose that the Member concerned be suspended for the remainder of the meeting. They will be required to leave the meeting immediately if such a proposal is supported by a simple majority of those present and voting. The Member concerned is to be excluded both from voting and for the purpose of calculating the relevant majority.
- 1.2 Where it is the Chair of the Board who is alleged to have breached the Code at a Board meeting, a member at that meeting 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. Remaining Members will appoint one of their number to act as Chair for the remainder of such meeting based on a simple majority vote (“the Acting Chair”).
- 1.3 The suspension of the Member (including the Chair) concerned for the remainder of the meeting will be without prejudice to any other sanction that may be imposed subsequently.
- 1.4 The Chair shall notify the Managing Director or the Corporate Director of STAR Housing of any breach of the Code that occurs or is alleged to have occurred at a meeting. Where such a referral is made it will be treated as a written complaint for the purposes of section 2 of this **Board Members Complaints Procedure** and shall be subject to the investigation and disciplinary procedure set out below.
- 1.5 The Acting Chair shall notify the Managing Director or the Corporate Director of STAR Housing of any breach of the Code, by the Chair, which occurs or is alleged to have occurred at a meeting. Where such a referral is made it will be treated as a written complaint for the purposes of section 2 of this **Board Members Complaints Procedure** and shall be subject to the investigation and disciplinary procedure set out below.

## 2. Responding to Complaints and Allegations

- 2.1 All complaints and allegations by or about a Board Member shall be drawn to the attention of the Chair and notified to the Managing Director or the Corporate Director. This includes any suspicions of wrongdoing.
- 2.2 If the complaint or allegation involves the Chair, this matter should be raised with the Chair of the Finance, Audit and Risk subcommittee and/or the Chair of the Human Resources and Remuneration subcommittee. In such circumstances, these two subcommittee Chairs, along with another Board Member, will be responsible for dealing with the complaint and references in this **Board Members Complaints Procedure** to the Chair are therefore to be construed as references to these two subcommittee Chairs.
- 2.3 Notes should be made of all actions in respect of concerns, complaints and allegations including keeping full notes of all investigations made, including interviews with witnesses and any conclusions reached.

## 2.4 Initial Assessment of Alleged Breaches of the Code.

If the Chair receives a complaint about a Member alleging breach of the Code or other conduct detrimental to the interests of STAR Housing, the following procedures shall be followed:

- Acting in accordance with the STAR Housing's **Whistleblowing Policy**, the 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 Member 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 Chair will oversee the information disclosed to the Member at this stage to ensure that the requirements of STAR Housing's **Whistleblowing Policy** are complied with, which may include keeping the identity of the complainant(s) confidential and restricting other information that could identify the complainant.
- The Member 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 as a Board Member. The Member concerned may contact or respond to the media in their capacity as a Councillor or in a personal capacity but should make clear the basis on which they are responding. If the Member concerned is contacted by the media, he or she will notify the Chair as soon as reasonably practicable.
- The Chair and the Managing Director or Corporate Director of STAR Housing or a suitably experienced independent person<sup>1</sup> 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 Chair, in consultation with the Managing Director or the Corporate Director and/or suitably experienced independent person (as appropriate) shall deal with the complaint or assessment in a manner they agree as being appropriate in the circumstances, including whether any note is placed on the Member's file.
- If the initial assessment determines that a full investigation is needed into the complaint or allegation against the Member, the procedure set out in section 3 of this **Board Members Complaints Procedure** shall be followed.

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<sup>1</sup> The **Independent person** shall be a recognised expert in the governance of registered providers and/or Council owned housing companies agreed to be appointed by the parties and in default of an agreement nominated at the request of either party by the Chartered Institute of Housing.

## **2.5 Consideration of Suspension of Board Members**

2.5.1 If, in the opinion of the Chair, the allegation or complaint about the Member is of a sufficiently serious nature, the Chair shall have the power to suspend the Member for the duration of the investigation. Such suspension will be effective from the date of the notice. It should be noted that suspension is a neutral act and does not imply guilt.

2.5.2 Situations likely to be of a sufficiently serious nature for the purposes of paragraph 2.5.1 include:

- Where STAR Housing bring legal proceedings against a member (this includes against a member who is a tenant).
- Where a Staff Board Member is subject to an informal or formal disciplinary investigation relating to their employment with STAR Housing.
- Where a member brings legal proceedings against STAR Housing.
- Where a member becomes subject to any criminal or civil proceedings and the nature of which could compromise their position as a member.

2.5.3 During the period of any suspension the member must not:

- Participate in any Board meetings.
- Authorise or incur any expenditure on behalf of STAR Housing.
- Make use of any property belonging to STAR Housing (other than in his/her capacity as a tenant or occupier).
- Hold themselves out as a member.
- Seek to commit STAR Housing 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.

## **3. Formal Investigation Procedure**

3.1 The Chair, taking account of the circumstances of the complaint or allegation, shall appoint an Investigating Officer who may be a member of the Senior Management Team or a suitably experienced person.

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

3.3 Any investigation carried out by the Investigating Officer will be confidential. Members (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 Chair.

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

3.5 The Chair will appoint a Conduct Panel to review the investigation. The Conduct Panel

should normally comprise three Board Members and 2 other Members. 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, the Chair shall appoint other Members to the Conduct Panel. The Chair will not be part of the Conduct Panel to remain impartial.

- 3.6 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 Senior Management Team or a suitably experienced independent person.
- 3.7 The final version of the investigation report should be sent to the Conduct Panel and the relevant Board Member at least five working days in advance of any Panel hearing. Depending on the circumstances, the Member 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 Panel hearing. Alternatively, the Member will be given the opportunity to make his or her response verbally when the Panel hearing takes place.
- 3.8 The Conduct Panel will meet to review and “hear” the matter. The Investigating Officer will present the investigation report to the Panel and the Member 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 or she prefers (or is unable to attend the meeting) he or she may submit a written submission in defence of the complaint or have a third party attend on their behalf.
- 3.9 The Member that is the subject of the allegation or complaint may bring to the Conduct Panel hearing someone to support them. However, that person should not be another Member or employee of STAR Housing unless the Chair permits this (in his or her sole discretion).
- 3.10 The fact of the investigation and any of the matters raised during it shall be strictly confidential and the Member must ensure that his or her supporter respects the general confidentiality requirements and any specific restrictions imposed by the Conduct Panel.
- 3.11 At the hearing, the Conduct Panel and supporting Independent Advisor may question both the Investigating Officer and the Member concerned, and both individuals will co-operate fully to answer any questions put to them.
- 3.12 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 (or other obligation or responsibility of the Member) has occurred and if so, what action should be taken against the Member.
- 3.13 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 Member’s file confirming the outcome of the investigation which may be considered in dealing with any subsequent complaint.
  - A written warning issued to the Member indicating that any further breach will lead to a more serious penalty.
  - The Member be instructed to issue a formal/public apology.

- The Member be instructed to undergo specific additional training/mentoring /coaching/development/counselling.
  - Formal censure of the Member's behaviour.
- 3.14 The Conduct Panel's findings shall be communicated in writing as soon as reasonably possible and, if appropriate, verbally to the Member. The Conduct Panel's findings shall be final. The Conduct Panel's findings shall be reported to the Board at its next meeting.
- 3.15 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 Board at its next meeting, or at a specially convened Board meeting to hear the matter.
- 3.16 At that meeting, the Board shall consider the Conduct Panel's findings and recommendation and shall decide on a suitable sanction.
- 3.17 Sanctions deemed appropriate by the Board may include
- The Member being stripped of additional responsibilities (e.g. Chair, Vice Chair).
  - Removal or suspension from the Board.
  - Recommended removal of the Member from the Board (see 3.18 below).
  - In the case of a Council Member, details of the matter be supplied to the Head of Paid Service and/or the Monitoring Officer of the Council as appropriate.
  - In serious cases involving possible fraud or other illegal activity, the Board may recommend the matter be reported to the police or other relevant authority.
- 3.18 In the case of removal of a Member, the Board will consider the Conduct Panel's finding and recommendations and shall either decide:
- To remove the Member from office as a member based on a vote in favour by three quarters of all the other Members from time to time (in line with STAR Housing's constitution, Article 40), or
  - If a majority of three quarters has not been achieved, to refer the matter back to the Conduct Panel for them to re-consider the proposed sanction. Note that for the purposes of this policy that would be 8 Members of the Board.
- 3.19 The Member about whom the complaint or allegation was made will be given the opportunity to make representations in writing and/or in person to the Board at that meeting but the proceedings at the meeting are subject to the entire discretion of the Chair.
- 3.20 Following the Board meeting, the Chair will notify the decision of the Board in writing to the Member concerned as soon as reasonably possible.
- 3.21 If the Board decides to remove the Member such removal will be deemed to take effect immediately from the date of the board resolution.