

## **BOARD MEMBER BREACH OF CODE OF CONDUCT PROCEDURE**

### **1 BREACH OF THE CODE OF CONDUCT**

- 1.1 Any breach of the Code will be treated extremely seriously by both the Board and staff of Derby Homes.
- 1.2 Any complaint that a Board Member has breached the Code of Conduct must be made in writing and investigated, following this Procedure.
- 1.3 Complaints about Board Members may be made by members of the public, Board Members and staff. They should be made in writing to the Finance Director & Company Secretary.
- 1.4 Receipt of complaints will be acknowledged within five working days.
- 1.5 No Board Member, employee or other person who reports possible breaches of Derby Homes' Code of Conduct, governance arrangements or other wrong-doing will be victimised, although making reckless or mischievous accusations will be treated as a disciplinary matter.

### **2 PRELIMINARY INVESTIGATION**

- 2.1 The Finance Director & Company Secretary will carry out a preliminary investigation of any complaint received.
- 2.2 The purpose of the preliminary investigation is to exclude from further consideration complaints which:
  - fall outside the scope of the Standards Committee's remit;
  - have already been the subject of proper investigation;
  - should be more properly investigated by another agency - such as the Police; or
  - are unsupported by any reliable information.

- 2.3 The Finance Director & Company Secretary will aim to complete the preliminary investigation within 20 working days of receipt. If the Finance Director & Company Secretary considers a complaint does not warrant a full investigation, s/he will consult with the Managing Director of Derby Homes and Chair of the Board before making a final decision.
- 2.4 The Finance Director & Company Secretary will send the decision in writing to the complainant and will provide reasons for any decision not to investigate further.
- 2.5 The Finance Director & Company Secretary will also inform the Board Member who is the subject of the complaint that a complaint has been received and whether or not it is to be investigated further by the Standards Committee.

### **3 INVESTIGATION PRIOR TO THE STANDARDS COMMITTEE MEETING**

- 3.1 All full investigations will be commissioned and supervised by the Finance Director & Company Secretary and will result in the submission of a report to the Standards Committee. The purpose of any such investigation will be to establish the facts of the matter so that the Standards Committee may then make a properly informed judgement. The Finance Director & Company Secretary may appoint another member of the Executive Team as her/his representative.
- 3.2 The investigator(s) will seek to interview, and/or obtain information from, any persons who can assist in establishing the facts of the matter. For this purpose, the investigator(s) will have a right of access to any Board Member and employee and any papers or other information held by the Derby Homes.
- 3.3 It will be made clear to any person interviewed as part of an investigation that any information which they provide may be shared with the Standards Committee. Any person interviewed will be entitled to be accompanied by a representative of their choice.

3.4 The complainant will be invited for interview and given the opportunity to submit any further material which the complainant considers is relevant to the investigation.

3.5 The Board Member against whom the complaint has been made:

- will be provided with a full copy of the complaint
- will be invited for interview and given the opportunity to submit any material which the Board Member considers is relevant to the investigation and to identify any persons whom the Board Member considers should be interviewed as part of the investigation
- (at the conclusion of the investigation) will be sent a copy of the report which the Finance Director & Company Secretary proposes to submit to the Standards Committee. The report will be sent to the Board Member in sufficient time (at least 10 working days) in advance of the Standards Committee hearing so that the Board Member concerned may submit any final comments for inclusion in the report
- will be entitled to attend the meeting of the Standards Committee at which the report is considered.

3.6 Any investigation carried out by the Director and Company Secretary will be confidential. Board Members (including the one against whom the allegation has been made) must not without the approval of the Board divulge any information regarding the investigation to any third party (including the media) or respond to any request by the media for comment. If the Board Member concerned is contacted by the media, s/he must notify the Managing Director of Derby Homes as soon as reasonably practicable.

## **4 THE STANDARDS COMMITTEE MEETING**

4.1 The Standards Committee will consist of at least two of the Chair of the

Board, a Vice Chair or a Committee Chair and must not include any Board Member who has been involved in the matter previously. Where any two of the above are named in a complaint, another Board Member who has not previously been involved in the matter will take their place on the Committee. The Chair of the Standards Committee will be independent of Derby Homes.

- 4.2 The intention is that the Standards Committee should conduct its consideration of the complaint on an inquisitorial, rather than an adversarial, basis.
- 4.3 It is also intended that the report of the Finance Director & Company Secretary should provide the Standards Committee with all the available information that is relevant to consideration of the complaint. It should not normally be necessary therefore to call persons to provide information at the meeting. There may however be occasions when, in order to provide the Standards Committee with a full understanding of the matter and/or in the interests of fairness to the Board Member against whom the complaint has been made, it will be necessary or appropriate to invite persons to provide information or give evidence at the meeting.
- 4.4 The main stages of the Standards Committee's consideration will be:
  - (a) The Standards Committee will need to satisfy itself, by consideration of the report of the Finance Director & Company Secretary and, where relevant, by questioning any persons invited to attend the meeting, that the complaint has been properly investigated and that the Standards Committee has been provided with sufficient information to allow it to make a properly informed judgement.
  - (b) The Standards Committee will allow the Board Member against whom the complaint has been made to address the Standards Committee on the subject matter of the complaint and, with the

Standards Committee's consent, to call any witnesses to speak on his/her behalf.

- (c) The Standards Committee will then proceed to deliberate and form a judgement on the complaint (against the standards referred to in this Code of Conduct) and where relevant, to decide upon an appropriate sanction.

4.5 The Board Member against whom the complaint has been made, and also any Derby Homes' staff called to attend the Standards Committee meeting, will be entitled to be accompanied by a representative of their choice.

4.6 The Board Member against whom the complaint has been made will be entitled to be present at the meeting throughout the Standards Committee's consideration of the complaint until the point at which the Standards Committee is in a position to deliberate on its judgement. The Standards Committee will then deliberate in private, subject only to the attendance of the Finance Director & Company Secretary, or her/his representative.

4.7 Any procedural questions or issues which may arise will be determined by the Standards Committee, but within the guiding principle of ensuring fairness to the Board Member against whom the complaint has been made.

4.8 The Standards Committee meeting will normally be held in private session.

## **5 SANCTIONS AND DECISION**

5.1 On completion of its investigation, the Standards Committee will recommend to the Board such action as it may deem appropriate. Such recommendations may include any one or more of the following, that:

- no further action be taken
- the Board Member concerned be reprimanded

- the Board Member be asked to issue a formal/public apology
- the use of Derby Homes' equipment or facilities be withdrawn from the Board Member for a specified period
- the Board Member be asked to undergo specific additional training / mentoring / coaching / development / counselling
- the Board Member be removed from any office or position (eg Chair, Vice-Chair, committee membership) to which they have been appointed by the Board
- in the case of a Council Board Member, details of the matter be supplied to the Chief Executive of the Council and/or to the Standards Board for England as appropriate
- a motion be put to the Board to recommend the removal of the Board Member.

5.2 The Standards Committee's decision will be sent in writing to the Board Member concerned and to the complainant within three working days.

5.3 The decision of the Committee will be reported to the next Board meeting in the confidential section of the meeting.

5.4 The Board will consider the recommendations of the Standards Committee under Article 18 of the Articles of Association.

5.5 The Board Member concerned will have an opportunity to make a statement to the Board before the decision is taken.

5.6 The Board will consider the recommendation in private and the Board Member will withdraw from the meeting during the discussion.

5.7 When deciding what sanction (if any) to apply:

- any decision to remove the Board Member from office will require the Board to vote in favour by a majority of 75% of the Board Members

from time to time

- any other sanction proposed will require the Board to vote in favour by a simple majority of those present and voting
- In calculating these figures, the Board Member concerned is to be excluded (both from voting and for the purpose of calculating the relevant majority).

5.8 The Chair or the Vice Chair (as appropriate) is to notify the decision in writing to the Board Member concerned soon as reasonably possible.

5.9 If the Board decides no further action should be taken, the Board Member will remain in office until such time as the Board Member retires or is removed in accordance with the Articles of Association.

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