

KENSINGTON AND CHELSEA TMO BOARD AND COMMITTEE MEMBERS

CODE OF CONDUCT

Scope

Board and Committee Members are expected to adhere to the highest standards of conduct and probity. This Code sets standards which will enable members to maintain the values and mission of The Kensington & Chelsea Tenant Management Organisation Limited (the TMO) and to protect themselves, the organisation and its staff from misunderstanding and criticism. This Code applies to all Board and Committee members (hereinafter referred to as "Board members") of the organisation. It follows best practice of the NHF's "Excellence in Standards" Code and reflects the TMO's Code of Governance and its Constitution.

General conduct and behaviour

1. As representatives of the TMO, Board Members must promote and uphold its values, policies and decisions, including those for equality and diversity and must not do anything which actually or potentially may put its reputation at risk.
2. Board Members must act only in the interest of their organisation and not on behalf of any constituency, political, or interest group, and not for personal interest or benefit. The organisation's resources, including IT equipment, will not be used for any other purpose than for the direct benefit of the TMO.
3. Board Members must act with integrity and in a professional manner. They must not place themselves under an obligation that might influence or be perceived to influence, the conduct of their duties.
4. Board Members need to be meticulous about declaring all relevant personal interests and those of any person or body closely connected with them. They must ensure that their private interests or personal opinions do not influence their decisions or interfere with their work. They must not use their position to obtain personal gain for themselves directly or for their family, friends or associates.
5. Board Members are required to sign and uphold this Code of Conduct, failure to do so will be deemed as 'negative conduct'. Conduct which is detrimental to the interests of the TMO will be deemed as 'negative conduct'.
6. Board Members who engage in negative conduct may be removed from office by the provisions within the Constitution.

Obligations and responsibilities

7. The role of Board Member carries with it certain obligations and responsibilities and each Board Member has a fiduciary duty to act in the best interests of the organisation. Before they can act, Board Members are required to sign a statement accepting their obligations and responsibilities. These include representing the values and objectives of the TMO, upholding the TMO's policies and reputation, contributing to and sharing responsibility for Board and committee decisions. Conduct which is materially in breach of any obligation set by the Board for all its members will be deemed to be negative conduct.
8. When reaching decisions a Board Member must have regard to any relevant advice provided to him or her by the organisation's Director of Finance, Company Secretary and /or legal advisor acting in pursuance of their duties.

Declaring and handling interests

9. Board Members need to pay particular care to the management of personal interests, and in particular to actual, potential or perceived conflicts of interest in order to protect the TMO from any appearance of impropriety.
10. All current and potential Board members are asked to complete a declaration of interest form. This form records information about their employment, positions of public responsibility, membership or employment, including that of other social housing providers and any financial interests which they or their close relatives may have which relates to the work of the TMO.
11. Careful consideration is given to potential Board Members who indicate an actual or potential conflict of interest. Where after proper scrutiny the evidence shows that these are likely to present an actual or potential serious or continuing conflict, an appointment may not be made.
12. Board members should disclose all relevant personal interests whether pecuniary or non pecuniary relating to themselves or any body closely connected to them, whether profit making or voluntary. This includes family members such as spouse or partner and close relatives, as well as close friends and business colleagues. Relevant personal interests may take many forms, some of the usual ones are:
 - Employment, ownership or significant shareholding in a company or partnership providing products or services to the TMO.
 - Significant ownership of land and/or property in the area of operation of the TMO;
 - Tenancy or leasehold interest of a property owned or managed by the TMO;
 - Membership of a campaigning, residents' or community organisation which has interest in the business or operation of the TMO;

- Membership of a local authority, another public body, or another association or unregistered "not for profit" body with interests in the area of operation of the TMO.
 - Membership of political parties and pressure groups should always be declared.
13. Non-pecuniary interests could be kinship, friendship, membership of an organisation which could effect judgement and give the impression that a Board Member could be acting for personal motives.
 14. It is impossible to define all circumstances where an interest may exist but if in doubt over-disclosure of interests by Board Members is preferable to under-disclosure.
 15. Members' declarations of interest are placed on an open register kept up to date and maintained by the Company Secretary. This register is published annually by the Board.
 16. Board Members have a responsibility to notify the Company Secretary immediately of any changes that occur in either their own interests or those of a person closely connected to them. Board Members who withhold information or provide misleading information about their interests or those of a person closely connected with them may be deemed to have engaged in negative conduct.
 17. Board Members should ensure that when an item of business arises at a meeting in which they or a person closely connected to them have an interest, whether or not it is already entered on the register, this is declared and where possible notified to the Chair of the meeting at its commencement as an initial agenda item. The Chair should notify the Board if any such interest occurs that affects them. The Board should consider the action necessary to avoid any real or perceived conflict arising.
 18. Members should declare an interest in anything in which they have or could reasonably be perceived to have an interest. The test is whether an interest might reasonably be thought to have influenced the outcome, as well as whether it actually did.
 19. All relevant declarations of interest given before or during meetings and the action taken by the individual board members to prevent a conflict from arising will be recorded in the minutes.
 20. Where the declared interest is a financial one or where personal benefit may arise or be seen to arise, Board Members should take no part in the discussion of the item or the decision. This should be achieved either by withdrawal from that part of the meeting or by non-attendance. Board Members should only remain in the relevant part of the meeting where the Board decides that this is appropriate and this is formally minuted. In this case the Board Member should not vote on the matter and if they

participate in the discussion relating to the matter, this should be properly minuted.

21. Board Members who are residents should regard matters specifically concerning their individual circumstances as a clear and substantial conflict; matters affecting residents more generally need only be declared where they create a specific conflict of interest.
22. Board Members nominated by external bodies such as a local authority, is not a declarable interest in itself but if a proposed development or localised issue is in a councillor's own ward then this should be declared.
23. If a member considers that another member has such an interest he/she has a duty to raise it in the Board or Committee.

Conduct of meetings

23. Board members are expected to prepare for and attend meetings. The constitution requires specific attendance requirements and members who breach these requirements will be automatically removed from office.
24. Board and Committee meetings will be conducted in a constructive and supportive atmosphere. Board members who chair a meeting will do so in a manner that encourages debate and comment from all members during a meeting.
25. Board members are expected to contribute to and share responsibility for Board and committee decisions. Board members who persistently obstruct, hinder or impede the business of meetings or the performance by any board member or officer of the TMO of their duties, or who engage in conduct detrimental to the TMOs interests, whether or not at a board or committee meeting may be determined as having engaged in negative conduct.
26. Board members must attend and participate in reviews linked to individual performance or that of the whole Board or committee, as well as training sessions and other events.

Use of Information

27. Board members must not disclose confidential information concerning the TMO, its tenants and staff. Board members must not make statements to the media and are required to consult with the Chief Executive if they are approached by the media or wish to release a statement.

Offers of Accommodation to Board Members and their Relatives

28. Offers of accommodation by the TMO to Board members, those who have been Board members in the preceding twelve months and their close relatives are generally prohibited unless they are a Board Member or have been a Board Member by election (that is a resident Board Member). There are specified circumstances in which an

exemption can be granted to this restriction – each exemption must be approved by the Board in advance of the letting. Any housing of officers or their relatives must meet with the published allocation criteria and priorities, and in all cases be reported and approved by the Board.

29. Any resident Board members are entitled to all the usual rights associated with their tenancy or lease, such as the statutory right to buy or right to acquire, right to transfer, home loss and disturbance payments and any other statutory or contractual rights. A breach of or dispute under a tenancy or other legal agreement with the organisation may however be deemed as negative conduct.

Contractors and Consultants

30. Under legislation, anyone who is (or has been in the last twelve months) a principal proprietor (or close relative) of a firm trading for profit with whom the TMO does business, cannot join as a Board member of the TMO.
31. The TMO is also prohibited from paying contractors and consultants of firms trading for profit if a TMO Board member (or close relatives) is a principal proprietor. Board members should note that a declaration of interest by itself is not enough to make a breach of this policy lawful.
32. Board members must not gain any special advantage by virtue of their Board or committee membership, if they use the services of a consultant, contractor, professional adviser or other individual or firm that also works for the TMO. Where a Board member uses the services of any of the TMO's approved contractors, consultants or suppliers of bulk goods or services the arrangement should be declared, in advance, to the Company Secretary.

Employment

33. The TMO cannot employ Board members (or their close relatives) or those who have been Board members within the last twelve months.

Remuneration of Board & Committee Members

34. The TMO has made a decision to pay Resident Board Members a stand still payment for their time and efforts, wear and tear on equipment, phone calls and attending meetings and training. Such payments are outlined in the Expenses Policy for Board Members. All other Board and Committee members do not receive remuneration. It is up to individual Board members as to acceptance of this stand still payment and the declaration of such payment and the tax liabilities that may arise is entirely at the accepting Board members own risk. The TMO will annually declare these payments to the HMRC, and publish such payments to members via the internet and/or within the annual accounts.

Reimbursement of Expenses

35. The TMO will reimburse all Board members' out-of-pocket expenses properly incurred in the business of the organisation in line with the

TMOs Board Members Expenses Policy. Expense claims should be submitted to the Company Secretary on the prescribed form for authorisation.

Acceptance of Gifts, Entertainment and Hospitality

36. It is unacceptable for personal gifts to be solicited by Board members from another individual or organisation. Gifts of cash must never be accepted. Only small personal gifts e.g. diaries, calendars may be accepted by a Board member where refusal might offend. All gifts and hospitality received are recorded in a register maintained by the Human Resource department and can be reported to the Company Secretary.
37. The TMO may make token gifts to Board Members to the value of £20 per person per year. Also, the TMO may offer corporate hospitality to Board members of up to £20 per person per event (up to a maximum of £60 per person per year). This does not include hospitality included at training events/meetings.
38. Board Members should not allow extravagance in any entertainment or hospitality received or given where the motive could be to influence the TMO. Where an offer of a favour is made personally to a Board Member it should be reported to the Chair. Board Members may accept hospitality from an organisation connected with the TMO only when it has been or will be reported under the hospitality policy and up to a value of £60 per year.

Diversity

39. As part of its commitment to ensuring equality of opportunity in providing housing and employment, the TMO has adopted an Equality & Diversity Policy. Board Members are required to adhere to the standards and spirit of the Policy. Conduct which breaches the standards or spirit of the Policy may be deemed to be negative conduct.

Reporting issues of serious concern

40. Board Members who wish to raise issues of serious concern should do so through the Chair. If this is not appropriate, the matter should be raised with the Chief Executive or Company Secretary. The TMO will ensure that Board members who report in good faith, issues of serious concern are protected from reprisal and or victimisation.

Summary

41. Board Members are expected to conduct the affairs of the TMO in accordance with the law, all regulatory requirements, the Constitution and the spirit of this Code which requires a separation between organisational and private interests. Board members who have an interest or who are connected with someone who has an interest in any of the TMOs affairs which is not covered in the detailed provisions of this Code of Conduct is required to declare it to the Chair or Company Secretary as appropriate.

42. It is the Company Secretary's role to ensure that Board members adhere to this Code of Conduct and will report any suspected or actual failures to the Board. Every Board Member will sign this Code of Conduct and will be provided with a copy. Failure to sign the Code of Conduct will be deemed negative conduct. Failure to sign any revision to the Code of Conduct means the Board members ceases to hold office.
43. The Code is not exhaustive and for more information on any aspect of governance, please contact the Company Secretary.

Principles of conduct

44. A Board Member must adhere to the following eleven principles of conduct when acting in any way which is connected to or relates to the business of Kensington and Chelsea TMO.

Ethics

It operates according to high ethical standards, explicit values and the organisations Code of Governance and Conduct.

Accountability

Board Members should be accountable to the Council and the organisations stakeholders for their actions and the manner in which they carry out their responsibilities, and should co-operate fully and honestly with any audit or scrutiny in relation to their role as Board Member.

Openness

Board Members should be as open as possible about their actions and those of Kensington and Chelsea TMO and should be prepared to give reasons for those actions.

Diversity and inclusion

Board Members should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of Kensington and Chelsea TMO's senior officers and its other employees.

Selflessness

Board Members should never improperly confer an advantage or disadvantage on any person.

Honesty and Integrity

Board Members should not place themselves in situations where their honesty and integrity may be questioned.

Objectivity

Board Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

Personal Judgement

Board Members may take account of the view of others, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

Duty to uphold the law

Board Members should uphold the law and, on all occasions, act in accordance with the trust that the Council and the public is entitled to place in them.

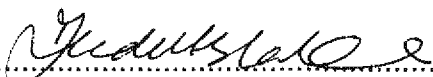
Stewardship

Board Members should do whatever they are able to do to ensure that the TMO uses its resources prudently and in accordance with the law.

Leadership

Board Members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves the confidence of the Council and the public.

I understand and accept the Code of Conduct for Board Members and understand that failure to uphold the Code of Conduct may be deemed negative conduct and be dealt with under the Constitution.

Signed : 

Name: JUDITH BAKEN AN

Date: 21/9/13

Approved by the Board 9th December 2010