



The RCH Group Code of Governance

Policy Owner	Director of Group Services
Policy Manager	Senior Governance and Planning Manager
Approval Body	RCH Board
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1. The Principles of Good Governance

The foundation of good governance is that there should be a balanced, diverse and effective Board which leads and controls the organisation and complies with legal requirements. The Board should ensure that the organisation upholds the following principles:

Ethics

It operates according to high ethical standards, explicit values and appropriate codes of governance and conduct.

Accountability

There is proper accountability to, and involvement of, all the organisation's stakeholders, primarily its residents.

Customer First

It puts the needs of existing and potential service users at the heart of business decisions and strategy.

Openness

There is a spirit of openness, making full disclosure of governance matters and other information.

Diversity and Inclusion

There is fairness and equality of opportunity and a recognition of diversity in all aspects of the organisation's governance.

Review and Renewal

There are formal and open processes for the Periodic review of the Board's own performance, which ensure its renewal on an ongoing basis.

Clarity

There is clarity of roles and responsibilities between the organisation's board members and paid staff.

Control

There are effective systems for internal delegation, audit, risk management and control. The Board received adequate and timely reports and advice to inform its decisions. The Board has an effective relationship with internal auditors, external auditors and regulators.

Structures

There are effective staffing and Committee structures to support the Board's work.

2. Constitution and composition of the Board

Main principle: The RCH Group Board must be effective in the strategic leadership and control of the organisation to achieve good outcomes for its

customers and other service users, and act wholly in its best interest. The RCH Group Board must ensure that the interests of the organisation are placed before any personal interests.

- 2.1 The core purpose of the RCH Group Board is to determine vision and strategy, lead, direct, control, scrutinise and evaluate the organisation's affairs; management and the work of the RCH Group should be delegated to RCH Group staff and the RCH Group Board must hold them to account.
- 2.2 The objects and powers of RCH and HFS are outlined in their Articles of Association.
- 2.3 All Board Members, executive and non-executive, share the same legal status and have equal responsibility for its decisions. Each must act only in the interests of the organisation and not on behalf of any constituency or interest group and should not place any personal or other interest ahead of their duty to the RCH Group. Board Members should put the interests of the organisation and its customers before their own interests whether commercial or otherwise.
- 2.4 Board members who are executive staff must be in a minority. The Board should have at least seven members and no more than twelve, including co-optees and any executive Board members.
- 2.5 A majority of those present must be non-executive Board members for a board meeting to be quorate.
- 2.6 Board Members should collectively possess the skills, knowledge and qualities required to take decisions and monitor RCH's performance effectively.
- 2.7 The Board should carry out a regular review of its own strengths and development needs in order to ensure its continuing effectiveness, and to satisfy the Scottish Housing Regulator's requirements contained within the Scottish Housing Regulator's Regulatory Framework.
- 2.8 All members of the Board have the same legal status and have equal responsibility for decisions taken. The Chair and Vice Chair of the Board and Committees should always be a full member of the Board and meet the requirements of the role profile and competencies. These positions must not be held by an executive.
- 2.9 The Board should ensure that all new Board Members undertake an assessment of their performance in the role with the Chair of the Board after an initial period of six months. All new Board Members will undertake an induction programme prior to attending their first Board or Committee meeting. Performance assessment with all Board Members will be undertaken on an annual basis, and will include both a collective assessment of the Board and individual assessment of Board Members. The output of this process will be a feedback report with recommendations and an updated Board Training and Development Plan.
- 2.10 The following information and issues are dealt within RCH's Articles of Association:
 - non-executive directors remuneration;

- non-executive directors interests;
- proceedings of the Board;
- appointment of the Chair and Vice Chair and of the Board;
- disqualification of non-executive directors;
- voting at Board Meetings; and
- indemnity for non-executive directors;

2.11 The role and responsibilities of Board Members are set out in a separate role profile and required competencies and letter of appointment, which is issued to Board Members at the time of appointment.

Size and composition of the Board

2.12 Good practice guidance suggests that a board should have at least seven members and no more than twelve. The Board of RCH will comprise of twelve directors including executive directors and co-optees.

2.13 Board Members will be chosen for the specific skills and expertise they can bring to the role. A maximum of two Board members will be nominated by Inverclyde council.

Board co-optees

2.14 The Board has the facility to co-opt up to three members onto the Board or any of its committees. The reasons for co-opting can be varied. It might be that the Board feels it needs to invite someone with specialist skills and experience to strengthen the Board; or that there is an opportunity to co-opt a customer to the Board who can benefit from the experience.

2.15 It could prove to be an ideal way to offer training and development to customers to build their capacity to fully participate as a future Board member.

2.16 Co-optees can serve on either the Board or committees, but are not full members of the Board and cannot vote in matters directly affecting the Articles of Association, membership of RCH or the election or appointment of office bearers. Co-optees are required to stand down at the AGM although can be re-appointed. During their time as co-optee they are subject to the same codes and rules as full Board Members. They will also participate in the annual Board performance review.

Commitment to customer influence

2.17 The Board is committed to the development of customer influence in decisions about service delivery and issues that affect them, and the Board will seek out the needs, priorities, views and aspirations of its customers and stakeholders. To ensure the highest level of Board assurance on this essential area of governance, customer influence and co-regulation will be included in the annual Board performance review.

Charitable status

2.18 RCH is registered as a charity with the Office of the Scottish Charity Regulator and as such must abide by the requirements regarding its charitable purpose and public benefit. These are set out in the Articles of Association of RCH as registered at Company's House and the Office of the Scottish Charity Regulator. Changes to the constitution must be notified to the Office of Charity Regulator and consent must be obtained where the changes relate to the charitable purposes of RCH.

Company Secretary

2.19 The Board must appoint a company secretary (or a person with that function) with a clear accountability to the Board, to advise it on compliance with the organisation's constitution, this code, and other statutory or regulatory requirements particularly as relating to their position as Board members, company directors, and charity trustees.

3. Essential functions of the board and chair

Main principle: The Board must be clear about its duties and responsibilities. These must be set out and made available for all existing and potential Board Members. The Board must be headed by a skilled Chair who is aware of his or her duties as leader of the Board.

3.1 The essential functions of the Board are formally recorded. In addition to matters set out in law and in the organisation's constitution these will include as a minimum:

- a. Setting and ensuring compliance with the purpose, values and strategic objectives of the organisation, ensuring its long term success;
- b. Setting a positive culture, with strong customer focus;
- c. Ensuring that the organisation operates effectively, efficiently and economically;
- d. Providing oversight, direction and constructive challenge to the organisation's Chief Executive and Directors;
- e. The appointment and, if necessary, the dismissal of the Chief Executive;
- f. Satisfying itself as to the integrity of financial information, approving each year's budget, business plan and annual accounts prior to publication;
- g. Establishing, overseeing and reviewing a framework of delegation and systems of internal control; and
- h. Establishing and overseeing a risk management framework in order to safeguard the assets and reputation of the organisation.

3.2 The Board must formally record a schedule of those essential functions and other significant matters which are specifically reserved for the Board's decision and which cannot be delegated.

- 3.3 The Board must ultimately have the responsibility and clear powers to direct and if necessary, intervene in the governance of its subsidiaries.
- 3.4 The parent Board must determine how and whether this code should apply to each of its subsidiaries.
- 3.5 The constitutional arrangements between the parent and each subsidiary must be formally recorded.
- 3.6 The parent Board must approve the group's plans and budgets and hold the subsidiary board accountable for delivery of its objectives.
- 3.7 The Chair is responsible for leadership of the Board and ensuring its effectiveness. The particular duties and responsibilities of the Chair must be formally recorded.

4. Board skills, renewal and review

Main principle: Recruitment to Board vacancies must be open and transparent, based on merit and objective selection and assessment techniques. It must be based on the Board's considered view of the skills and attributes required to discharge its functions. The Board must undertake a formal and rigorous annual performance review of its individual members and the Board as a whole.

- 4.1 The Articles of Association deal with the appointment and retirement of Board Members.
- 4.2 All Board Members are subject to fixed terms of appointment. Board Members are appointed for three year terms, with the appointments being subject to an annual performance review
- 4.3 Terms of office for individual Board Members should be for a maximum of three terms or nine years. However, RCH may appoint Board Members for a further year where the Board Member in question is still able to demonstrate their continued effectiveness in terms of their objectivity and levels of independent challenge to familiar practices and thinking.
- 4.4 The term of office for the Chair of the Board is five years.
- 4.5 On appointment and annually thereafter, Board Members are required to complete a Declaration of Interest Form, sign a Charitable Status Declaration Form or an Eligibility to Serve Form for subsidiary Boards and accept the RCH Code of Conduct.

Board Performance

- 4.6 All new Board members must receive a properly resourced induction, and ongoing learning and development during their tenure.
- 4.7 All Board Members undertake an individual performance review annually. It comprises a self-assessment questionnaire. An essential element of the review is a one-to-one meeting with the Chair and or Vice Chair of the Board (an independent facilitator may also be part of the appraisal process), when their

performance over the last year can be discussed, along with any learning and development needs.

4.8 Following the assessment Board Members receive a brief report with a personal development plan (PDP). Responsibility for addressing issues set out within the PDP rests with the Board Member. RCH will provide the support, resources and training to enable Board Members to achieve their personal learning and development goals.

4.9 The Board will also undertake a collective Board performance review using a self-assessment questionnaire. The results of both the individual and collective performance assessments will be used to inform a Board Training and Development Plan.

Board Payment

4.10 If the organisation decides to pay board members it must ensure that it has an objective mechanism for establishing payment levels. This will normally be the responsibility of the Remuneration and Nominations Committee, using independent advice and benchmarking as required.

4.11 Payment to non-executive Board members must be:

- a. Permitted by law and by the RCH constitution;
- b. In the best interests of the organisation;
- c. Reasonable and proportionate to the organisation's size, complexity and resources;
- d. Linked to the carrying out of the specified duties of the post, against which performance must be reviewed; and
- e. Fully disclosed on a named basis in the organisation's annual financial statements

5. Conduct of Board and Committee business

Main Principle: The Board must act effectively, making clear decisions based on timely and accurate information.

5.1 The Board and sub-committees have clear terms of reference that are reviewed every three years unless an earlier review is required, to ensure transparency and effectiveness.

5.2 Board and Committee meetings should, wherever possible, be based on full agendas and clearly presented and accurate documents circulated to all members seven days prior to meetings. Decisions and the main reasons for them must be recorded in the meeting minutes.

5.3 Urgent decisions between Board meetings must be taken in accordance with proper, formally recorded and predetermined arrangements.

5.4 All Boards and Committees must consider their effectiveness and how they conduct their business, including:

- a. Their governing instruments, delegations, regulations, standing orders, structures, systems and other formal documentation;
- b. The timing and frequency of meetings;
- c. The format of their agendas, papers, minutes and communications;
- d. Their collective performance as a decision-making body; and
- e. Their compliance with this code and their legal duties.

5.5 There must be a formal review of these matters at least every three years, to ensure best practice, and that documentation is compliant with the latest legislation and regulations.

5.6 The Chair of the Board must not chair the Remuneration and Nominations Committee nor the Audit & Risk Committee.

5.7 Paid staff of RCH must not be members of the Remuneration and Nominations Committee nor the Audit & Risk Committee.

5.8 Each Committee must have formally recorded terms of reference approved by the Board and must report regularly to the Board on its work and the exercise of any delegated authority it has been given.

6. The Chief Executive

Main principle: There must be clear working arrangements between the Board and the Chief Executive and clear delegation of authority.

6.1 The Chief Executive must be clear about the essential duties of the role and have clarity over his or her legal responsibilities, delegated authority and relationship with the Board.

6.2 Like all other employees, the Chief Executive must have a written and signed contract of employment; the Board must consider whether it should be reviewed at least every three years.

6.3 Periods of notice of more than six months and other provisions for material payments to be made or benefits granted in the event of the contract being terminated must be specifically approved by Board with the reasons for the decision clearly minuted.

6.4 The Board must delegate to a committee responsibilities that include oversight of the appraisal of the Chief Executive and making a recommendation to the Board on the Chief Executive's remuneration. The Committee must not include any Executive members of the Board.

6.5 The Chief Executive's remuneration must be disclosed in the annual financial statements in accordance with the applicable statement of Recommended Practice (SORP).

7. Audit and Risk

Main principle: the Board must establish a formal and transparent arrangement for considering how the organisation ensures financial viability, maintains a

sound system of internal controls, manages risk and maintains an appropriate relationship with auditors.

- 7.1 There must be effective internal controls and appropriate systems for business assurance, so that the Board can have confidence in the information it receives.
- 7.2 The organisation's external auditors must be independent and effective.
- 7.3 RCH must have a Committee primarily responsible for audit, and arrangements for an effective internal audit function.
- 7.4 The Committee responsible for audit must bring independent scrutiny and challenge to provide the board with assurance, and exercise oversight of the internal and external audit functions.
- 7.5 The Committee responsible for audit must meet regularly and its minutes must be available to all members of the Board. The reasons for the decisions taken must be recorded in the minutes and presented to the Board for noting or endorsement.
- 7.6 The Committee must be able to meet with external auditors without executives or other paid staff being present at least once a year.
- 7.7 The Chair of the Committee responsible for Audit must either be a member of the Board or have clear arrangements for reporting to the Board.
- 7.8 The Chair of the Committee responsible for Audit must not be the Chair of the Board.
- 7.9 The Board must identify and regularly review the individual and combined material risks faced by the organisation and make plans and strategies to mitigate and manage them effectively.

8. Diversity and Inclusion

Main principle: The Board must demonstrate leadership and commitment to equality, diversity and inclusion as outlined in the Equality Act 2010 across RCH's activities.

- 8.1 The Board initiates and monitors the strategy, policies and procedures relating to Equality and Inclusion and reviews them regularly.
- 8.2 Specifically the Board:
 - monitors progress and the impact of the policies and practice;
 - monitors employee data and pay gap information; and
 - ensures the equality criteria is included within the procurement process.
- 8.3 The Chief Executive, through delegated powers, has responsibility for ensuring that the Equality, Diversity and Inclusiveness Policy is implemented effectively.

9. Conduct, Probity and Openness

Main principle: River Clyde Homes must maintain, and be seen to maintain, the highest ethical standards of probity and conduct. Boards must operate in an open and transparent manner, having dialogue with and accountability to customers and other key stakeholders.

9.1 Board membership entails a particular responsibility to avoid any suggestion of impropriety. Matters such as conflicts of interests, or acceptance of gifts or hospitality, are particularly sensitive. The Board must adopt and comply with the River Clyde Homes Code of Conduct.

9.2 The Board must consider any potential conflicts of interest and adopt appropriate policies and procedures for their declaration and management. All conflicts must be dealt with in a way which upholds the organisation's reputation, and reflects:

- the organisation's constitution
- charity law
- the Companies Act 2006, concerning how conflicts (of interest, loyalty or duty) are to be declared and managed.

9.3 Where conflicts of personal interest arise these must be recorded and, if material, the individual concerned must be excluded from the discussion or decision by a resolution of the non-conflicted members present.

9.4 In the case of a fundamental or ongoing material conflict the board must consider and determine whether the person concerned should cease to be a board member.

9.5 Where there are persons who are members of more than one board in a group, there must be formal arrangements to ensure that if there are any actual or potential conflicts of interest, these are identified and managed.

9.6 The Board must publish an annual report of the organisation's activities and performance.

9.7 River Clyde Homes must have in place a strategy for regularly communicating information about its work to its members and stakeholders, and ascertaining their views. In doing so, it must have regard to the communication needs of the diverse groups of communities it serves.

9.8 The organisation must respond in a considered and transparent way to requests for information about its work and activities.

10. Breach of the Code

10.1 In the event that there is an alleged or suspected breach of any part of this Code, the process outlined in Appendix 1 should be adhered to.

- The Chair of the Board should have a discussion with the member suspected of breaching the Code;

- Following this discussion, the Chair, if he or she deems it is required, should convene a panel of 3 Board members tasked with conducting a full investigation into the alleged breach;
- If the panel then find the breach to be potentially serious enough to warrant the removal of the Board Member, the Chair and the panel of Board members should commission an independent review from suitable qualified experts.
- The Scottish Housing Regulator's Regulatory Framework and associated guidance should be complied with throughout this process.

11. Review

11.1 This Code will be reviewed every three years unless an earlier review is required as a result of legal, regulatory or best practice requirements.

Appendix 1 – Breach of Code of Conduct, Standing Orders, Delegations, Governance Code or Financial Regulations Process

These processes apply to all RCH Group Board, Subsidiary Board(s) and Sub-Committees

I) Identification of An Alleged Breach

If any person considers that the Standing Orders, Delegations, Governance Code or Financial Regulations has been breached, or not followed, by a member of the Board, the matter should be reported by that person to the Chair of the Board in question (or to the Vice Chair, if the Chair is not available, or if the Chair is the subject of the allegation).

The Chair of the Board should have a discussion with the member suspected of breaching the Code. Following this discussion, the Chair, if he or she deems it is required, should convene a panel of 3 Board members tasked with conducting a full investigation into the alleged breach.

In the event that an investigation is instructed by the Group Chair for matters pertaining to the Parent Board, the Association will at this stage notify the Scottish Housing Regulator of the fact that the matter has been reported and is to be investigated. Where the Scottish Housing Regulator has been notified then there is no requirement to also notify the Scottish Charity Regulator (OSCR Publication: Notifiable Events (Jan 2020); section 10).

In the event that an investigation is not instructed because the Chair has decided that the matter is not sufficiently serious or is not well-founded, the Chair can still have a formal discussion with the Member(s) concerned and/or offer advice and assistance as appropriate, and/or offer training or other forms of support. The Scottish Housing Regulator would not be informed at this stage. However, the Chair will be required to notify the Board at the next meeting as to the matter, the conclusion arrived at and any action taken by the Chair. It will then be for the Board to decide whether that should be the end of the matter or whether any further investigation should be undertaken.

The Association will also, at this stage, report any serious alleged breach(es) to the Police if it involves possible fraud or criminal allegations.

The following pages describe how investigations and any subsequent hearings will be conducted and reported and decisions made and provides examples of the sanctions that may be taken and rights of appeal.

II) Breaches of Standing Orders, Delegations or Governance Code at Board Meetings

Minor breaches which occur during the course of Board or Subcommittee meetings will normally be dealt with by the person chairing the meeting, either during the meeting in compliance with the Standing Orders and Delegations or Governance Code or afterwards in compliance with these present procedures.

If misconduct at Board meetings is serious and/or persistent, the Board may instruct an investigation and hearing as described in the following procedures or decide to call a Special Meeting of the Board to vote on whether to dismiss the Board Member from his/her position immediately in accordance with article 48 of River Clyde Homes' Articles of Association.

If the person behaving inappropriately is the Chair of the meeting, a majority of the remaining Board present may vote to:

Instruct an investigation and hearing, as described in the attached procedures; or

Decide to call a special meeting to vote on whether to dismiss the Chair from his/her position in accordance with article 48 of River Clyde Homes' Articles of Association.

III) Decision to Appoint an Investigator

These procedures describe the steps to be taken in relation to alleged breaches.

Advised by the Chief Executive (or substitute in his absence or due to a conflict of interest), the Group Chair (or Vice Chair, in the Chair's absence or if the allegation relates to the Chair) under delegated authority from the Board, will decide who should carry out an investigation.

The role of the Chair (or Vice Chair) is not to form a view on whether the allegation is justified, instead it is to make sure that immediate steps are taken to have the allegations investigated in an open and transparent manner.

An investigation may be initiated by the Chair without first advising the Board Member complained against.

Investigations may be carried out internally by a senior member of staff or by an independent consultant/advisor.

If the investigation is to be carried out internally, the staff member who is carrying out the investigation should not have had a direct involvement in the matter under investigation.

If the investigation relates to a complaint against the Association's Chair or Vice-Chair, an external investigator **must** be used.

If the investigation relates to a complaint against the Association's Chief Executive, an external investigator **must** be used.

The Chair (or Vice Chair) will report the results of the investigation made to the next meeting of the Board or to a Special Board Meeting called for that purpose. The Board Members(s) complained against must withdraw from the relevant part of an ordinary Board Meeting when the complaint is discussed or reported.

IV) Conduct of an investigation

Investigations should be completed promptly, taking account of the nature of the

complaint, the information available to support the complaint, and the right of the person complained against to have a reasonable opportunity to make representations to the investigator.

The person designated as the investigator will decide what methods are necessary to examine the allegations that have been made.

The main purpose of an investigation is to establish the facts, so far as possible, and to report on these. The investigator may also state their view about matters where facts are disputed by different parties.

The scope of the investigation will reflect the circumstances of the case. For example, if factual and/or undisputed evidence about the allegations is already available, the scope of the investigation will reflect this.

All Board Members and staff must provide the investigator with their full co-operation. An investigator will be entitled to interview whichever Board members, staff members and other parties they consider necessary.

The Board Member complained against will be provided with a reasonable opportunity by the investigator to answer the allegations that have been made. The Board Member will be provided with a copy of any written complaint or a summary of the allegations prepared by the investigator. The Board Member may be accompanied by a representative if they wish, when meeting with the investigator.

In terms of seeking continuous improvement and best practice the Board Member being complained against will be given the opportunity by the investigator to raise any concerns they may have about the way the investigation process has been carried out. Thereafter his/her comments will be included within the investigator's final report to the Board.

V) Investigation report

The investigator will prepare a written report and submit this to the Chair (or Vice Chair). The report will describe the evidence on which the investigator has based their findings.

A copy of the investigator's report will then be sent to all members of the Board, including the Board Member complained against.

The investigator may withhold individuals' names or other personal information from their report, if they consider this to be justified.

The investigator will be entitled to express a view in the report as to whether or not there has been a breach and/or failure to follow the Code of Conduct, Code of Governance, Standing Orders, Delegations or Financial Regulations.¹⁴

VI) Board Hearing

The investigator's report will be considered by the Board at a Hearing held for this

purpose no more than 14 days after conclusion of the investigation. The Board is responsible for deciding whether there has been a breach or failure to follow the Standing Orders, Delegations and Governance Code and / or Financial Regulations Process.

A Hearing is not a judicial process and the Board is not bound by any legal rules of evidence. Provided there is fair disclosure of information in the investigation report, the Board may consider whatever information it considers relevant in making a decision about the complaint.

The person chairing the Hearing is entitled to determine the procedures to be adopted. The Chair of the Board will be selected and may set a timetable for the Hearing and set limits on the time allowed for different parts of the Hearing.

VII) Presentation of the investigator's findings at the Hearing

1. A special Confidential Board meeting will be called according to article 57 of River Clyde Homes' Articles of Association.
2. The investigator will attend the Hearing to speak to their report and to answer questions.
3. The undernoted standard agenda will be followed to ensure fairness and transparency:

Chair's Remarks

Introductions

Investigator's Report

Discussion / Questions / Answers

If present, both the person making the complaint and the Board Member being complained of must then leave the meeting

Formal decision then to be made on the seriousness of the breach(es) – see below

Potential sanctions then discussed – see below

Formally declare the vote and confirm the course of action

Chair to then formally advise the Board Member(s) as to the decision

Chair to then formally write to the Scottish Housing Regulator advising them as to the decision of the Board.

4. The Board Member complained against is entitled to attend the Hearing, so that they have a reasonable opportunity to ask questions of the investigator and/or make representations and/or submit any other information to the Board.

5. The Board Member may be accompanied by a representative who may speak on their behalf. If the Board Member wishes to appoint a professional representative, they must do so at their own expense. The Board Member and/or their representative may only call third parties to speak at the Hearing with the permission of the person chairing the Hearing.
6. Where the complaint was made by another Board Member, that Board Member is entitled to attend the Hearing, so that they have a reasonable opportunity to ask questions of the investigator and/or make representation and/or submit any other information to the Board.

VIII) Decision making

Having heard the investigator's report and any representations made by the Board Member complained against, the Board Members will then decide whether a breach and/or failure to follow the Code of Governance has, in their judgment, been established.

The Board will reach a decision on **the balance of probabilities**. This means that the Board does not need to be satisfied that there is absolute, undisputed proof that a breach took place. Instead, the Board only needs to be satisfied that it is **more likely than not** that a breach took place.

If the Board concludes that a breach or failure has been established, it will be entitled to decide what sanction is appropriate.

The Board's decision on the occurrence of a breach or failure and the appropriate sanctions will be final.

IX) Interpretation of "Serious Breach"

Article 50 of the River Clyde Homes' Articles of Association provides for the possible removal of a Board Member from the Board for failure to perform to published standards or the Code of Governance or Financial Regulations or a "serious breach" of the Association's Constitution or Standing Orders.

The interpretation of the term 'serious breach' will be for the Board to determine, after considering the investigation's findings, but is likely to include:

Failure to act in the best interests of the Association and the purpose for which it operates.

Support for, or participation in, any initiative, activity or campaign which directly or indirectly undermines or prejudices the interests of the Association, its service users or any of the Association's obligations.

Accepting a bribe from a third party designed to influence the decisions made by the Association.

Persistent or serious failure to observe the principles of individual or collective responsibilities of Board Members

Breach of Confidentiality

Persistent or serious misconduct towards other Board Members and/or the Association's employees, for example harassment, intimidation, bullying or aggressive behaviour.

For the avoidance of doubt, it is for the Board to determine the extent and seriousness of a breach of or failure to observe the Code, and to then decide on the appropriate action to be taken, for all relevant purposes.

X) Sanctions

If, following investigation breach of the Code is confirmed, the Board will decide what action will be taken. This action will reflect the seriousness of the circumstances. It **may** take the form of some or all of the following:

An informal discussion with the Member concerned

Advice and assistance on how his or her conduct can be improved

The offer of training or other form of support

A formal warning as to the Member's future conduct

The matter be referred to an Extraordinary General Meeting (EGM) of the membership in accordance with Article 15 of River Clyde Homes' Articles

The Board Member be removed from the Board in accordance with Article 50 of River Clyde Homes' Articles

The following circumstances may lead to a formal vote on whether to remove a Board Member:

Failure to perform to the published standards laid down by the Scottish Housing Regulator, as adopted and operated by the Association

Failure to sign or failure to comply fully with the Code of Governance and Code of Conduct.

The following circumstances will result in a formal vote on whether to remove a Board Member:

- A serious breach of the Association's Articles or Standing Orders
- A serious breach of the Code of Governance or Code of Conduct
- Failure to respond to a formal warning or other earlier intervention

In deciding what action to take, the Board will take account of the seriousness of the breach or failure involved, and any risks to the reputation and/or effective future governance of the Association.