



Probitiy Statement

COR-POL-19

Version 4.2

Date approved: 22nd March 2022

Approved by: Parent Board

1. Introduction

Southway's Values

Probity is about integrity and adherence to principles, applicable to the values of an organisation. We are a community organisation and we care about the people, homes and neighbourhoods where we operate. We want this relationship to be based on mutual respect and trust. This means that we should demonstrate the highest standard of probity in all of our dealings.

Everything that Southway does, including this Probity Statement, is underpinned by the Trust's core values, we are

Caring, Committed and we will be Successful Together.

- 1.1 This Statement supports these values, and in particular accountability, which acts as a guide to what the 'right thing' is.

Purpose and Scope

- 1.2 This Statement is an expression of principle, setting standards against which Board and Committee Members, employees, contractors, involved customers and others acting on behalf of Southway can be held accountable by its customers, partners and the regulator. It is not intended to replace the individual Codes of Conduct which Members, employees and involved customers are expected to sign up and adhere to. Rather, it sets the context for each of those Codes.
- 1.3 The statement advises how principles of probity can be upheld without undermining the efficient delivery of service, ensuring the protection of customer interests and dealing fairly with all parties affected by Southway's operations.
- 1.4 Any instances in which probity principles are breached will not be dismissed simply because the exact circumstances are not specifically addressed in this Statement.

Who this Statement applies to

- 1.5 The following people are expected to act in accordance with the principles set out in this Statement.
 - (a) 'Employees', which includes those directly employed by Southway Housing Trust and its subsidiaries, and those engaged by Southway in

such a manner that they are acting as if they were an employee, including consultants and contractors.

- (b) 'Members', which includes Members and Co-optees to Southway's Boards, Committees and working parties.
- (c) 'Involved Customers', which includes tenants, residents and leaseholders who regularly contribute to one of Southway's customer groups, such as the Resident Consultative Group, Tenant Scrutiny Panel or Service Improvement Groups.

Acting on Behalf of Southway Plus

- 1.6 Southway Plus is a subsidiary of Southway Housing Trust, which seeks to make a surplus from commercial activities. Officers working for Southway Plus may deal with companies that have a different approach to hospitality and professional liaison from that associated with a provider of Social Housing.
- 1.7 When working on behalf of Southway Plus, officers must continue to abide by the Probity Statement and the Employee Code of Conduct. Guidance should be sought from line managers, or the Company Secretary, or in their absence a member of the Executive, if there is doubt about whether it is reasonable to accept hospitality. Any hospitality received should be declared in the usual way. See section 3.2.

2. Principles

- 2.1 This section sets out the principles of probity that Southway will adhere to, along with some illustrative examples of the application of these principles.
- 2.2 Members, Employees and Involved Customers should not gain an advantage, financial or otherwise, through their involvement with Southway (other than that to which they are contractually entitled).

This applies also to those that have been 'Employees' or 'Members' at any time in the last 12 months and to close relatives of 'Members' and 'Employees'.

A 'close relative' may include a husband, wife, civil partner, parent, grandparent, child, grandchild, sibling, and a person living in the same family household related directly or by marriage or adoption. However, each

situation and relationship will be considered individually in terms of the spirit of compliance with this Statement.

- Advantage or favours in the allocation of housing and services – allocation processes will include additional controls to ensure that no informal bias is applied.
- Acquiring Southway's minor assets (such as computer equipment) at a discounted price – these can be made available fairly, when no longer required and where market value is paid following an objective valuation.
- Sale of a leasehold or freehold interest in a Southway asset outside of the Acquisitions and Disposals Policy or the Land Licence and Sale Policy – the Chief Executive must explain to the Parent Board any circumstances where they believe the requirements of the relevant Policy should be waived
- Gifts or hospitality being given to Members or Involved Tenants on a routine basis – gifts should be modest and only received in exceptional circumstances, such as retirement or bereavement.

2.3 Members, Employees and Involved Tenants should be open, transparent and accountable for their actions.

- Ensuring they are aware of all relevant policies and procedures and adhering to them.
- Reporting any instances of non-compliance.
- Documenting important decisions and being prepared to explain them to customers and other stakeholders.

2.4 Members, Employees and Involved Customers should not engage in fraudulent behaviour or conduct that suggests impropriety.

- Not claiming expenses to which they are not entitled.
- Failing to declare any potential conflicts of interest, such as influence or financial interest in a company with which Southway may potentially trade. Further guidance on conflicts of interest can be found at Appendix A.
- Failing to report fraudulent behaviour or breaches of policy.

2.5 Members, Employees and Involved Customers should always conduct themselves in a proper and professional manner.

- Not drinking to excess at social occasions.
- Not using insulting or aggressive language, whether face-to-face or through any media including social media.
- Treating people with fairness and tolerance, recognising and respecting diversity.

3. Registers

- 3.1 Southway will record details of any incidents where the Parent Board or the Chief Executive feels that:
- (a) The probity principles were breached, or
 - (b) A decision was taken through due process where certain principles of probity needed to be compromised in the wider interests of Southway's business objectives.
- 3.2 Southway will also retain Registers of:
- Declared interests of Members and Employees
 - Gifts and Hospitality received by Members and Employees
 - Fraudulent activity
 - Whistleblowing reports.

4. Related Policy Documents

- Members' Code of Conduct
- Employees' Code of Conduct
- Social Media Usage
- Member, Co-Optee and Shareholder Recruitment Policy
- Group Standing Orders
- Financial Regulations
- Fraud and Bribery Policy
- Whistleblowing Policy
- Acquisitions and Disposals Policy
- Land Licence and Sale Policy
- Allocations Scheme
- Recruitment and Selection Policy

- Grievance Policy
- Disciplinary and Capability Policy
- Bullying and Harassment Policy
- Alcohol and Substance Abuse Policy

POLICY REVIEW HISTORY	
<i>To be completed during each review</i>	
Previous versions (version number – approved by – approval date – title if different)	
V1 – Board – 22/02/2011 – Board Statement of Probit Practice V2 – Board – 20/09/2014 – Probit Policy V3 – Parent Board – 21/03/2017 V4-Parent Board-20/03/2018 V4.1-Parent Board 16/06/2020	
Date of last EIA:	N/A
Review lead by:	Matthew Maouati
Main points or amendments made and reasons	
Reference to Whistleblowing Register Addition of guidance on Intragroup Conflicts	
Next review due:	Q4 2023/24
Approval level:	Parent Board

1. Introduction

- 1.1 Southway's Employees, Members and Involved Customers must act and be seen to be acting in a way that is wholly in the interests of the association, its residents and other service users.
- 1.2 This Statement provides guidance on how Southway records, monitors and deals with actual or potential conflicts of interests for all three of the above constituencies.

2. Defining Interests

- 2.1 Relevant Personal Interests can take many forms, including:
 - Employment or self-employment
 - Company directorships.
 - Ownership or significant shareholding in a company or partnership providing products or services to Southway, or another Housing Association
 - Significant ownership of land and/or property in the Southway area.
 - Tenancy or leasehold of a property owned by Southway, or one of its subsidiary companies.
 - Having an application to be rehoused by Southway, or one of its subsidiary companies
 - Membership of a resident's group or community association within the Southway area.
 - Positions of public responsibility (including local councillor).
 - Membership of another Housing Association or not-for profit organisation within the Southway area.
 - Membership of Political Parties, Secret Societies and Pressure Groups.

3. Responsibilities

- 3.1 The following officers have responsibility for dealing with actual or potential conflicts of interest.
 - **Company Secretary**-Responsible for dealing with conflicts of interest with Board and Committee Members, collection of the annual declaration of interest statements and maintenance of the interests register. The company secretary also has an advisory role, raising awareness of conflicts of interest throughout the organisation and ensuring that applicants understand what is meant by this term.

- **Head of HR.** Responsible for dealing with conflicts of interest for employees and potential employees, notifying the Company Secretary and Chief Executive as appropriate.
- **Customer Involvement and Community Investment Manager and.** Responsible for dealing with conflicts of interest for involved customers and potential involved customers, notifying the Company Secretary and Chief Executive as appropriate.
- **Chief Executive.** Responsible for the final decision on dealing with any contentious conflicts of interest.

4. Recruitment

- 4.1 In the recruitment of Members, Staff and involved resident's consideration should be given as to whether their interests, or the interests of a person with whom they are closely connected indicate an actual or potential conflict with Southway's interests. If this is likely to be of a serious nature then, on the advice of the Company Secretary and/or the Chief Executive where appropriate the appointment should not be made.
- 4.2 Potential Board Members should declare any current or spent disqualifications as a company director or charity trustee within their application, so that a decision can be made on the suitability of their appointment.
- 4.3 Potential Board members who are paid staff or Board members of another organisation should declare this in their application.

5. Declarations

- 5.1 On appointment, Members, Employees and Involved Customers will complete a form to register any personal, financial, or other interests that could potentially conflict with their role. Members should submit this prior to attending their first meeting.
- 5.2 The Company Secretary will maintain a Register of Significant Interests, which is available for public inspection, but does not need to include potentially sensitive detail.
- 5.3 Declaration forms will be re-issued on an annual basis for completion by all Members, Employees and Involved Customers. It is the responsibility of the Company Secretary to ensure that this exercise is completed, however individuals are responsible for ensuring that their interests are fully and properly declared and any amend their declaration of interest form, whenever

change occurs, and taking advice on their continued involvement as appropriate.

- 5.4 Withholding, or providing misleading, information on a Declaration of Interests Form can lead to removal from the Board or Committee, dismissal or disciplinary action.

6. Dealing with Conflicts of Interest – Meetings

- 6.1 Members, Employees and Involved Customers should notify the Chair of the meeting when an item of business arises in which they, or somebody with whom they have a close connection, have an interest.
- 6.2 Ideally this should be done prior to or at the start of the meeting, however there may be occasions when the conflict of interest only becomes apparent once the item is under consideration.
- 6.3 The Chair will then decide the appropriate course of action usually either;
- Asking the person involved to leave the meeting until the matter is dealt with, or;
 - Allowing the person to stay providing they refrain from taking part in the discussion or decision.
- 6.4 All conflicts of interest raised in the meeting will be minuted and entered in the register as appropriate.

7. Code of Conduct – Employees

- 7.1 Specific guidance on dealing with conflicts of interest relating to procurement, allocation of housing and offers of employment are dealt with in the employee code of conduct.

8. Subsidiary Companies and Intragroup Conflicts of Interest

- 8.1 Board members of Southway's subsidiary companies and members of sub committees of the Board are expected to work for the furtherance of those companies' objectives at all times. The interests of Subsidiary companies should be compatible with those of the parent.

Probity Statement
Appendix A – Conflicts of Interest Statement

- 8.2 Intragroup Conflicts of Interest refer to conflicts that arise a result of decisions taken by a Board, Committee or Group, that may be at odds with the vision values and objectives of Southway.
- 8.3 Some examples of conflicts of interest in this context include
- Decisions on matters which are outside the objectives of the Corporate Strategy.
 - Decisions outside of a Board/Committees/Terms of Reference
 - Decisions which will impede the ability of another part of the Structure to carry out their role.
 - Decisions which could have an adverse financial consequence
- 8.4 If a member of a Subsidiary Board or Committee is asked to consider an item of business which they believe conflicts with the interests of Southway, they should in the first instance notify the Company Secretary.^{8.4} This will be formally recorded and the Parent Board will be informed at the earliest possible opportunity. The Parent Board will discuss the issue, and then instruct the Subsidiary Board or Committee on how to deal with the matter (i.e. whether they can proceed with the business in question, whether restrictions should be put in place, or whether the item of business should be disregarded altogether).
- 8.5 Should this occur during the course of a meeting the Company Secretary will consult with the Chair of the meeting, making reference to Group Standing Orders. They may either:
- Agree that a decision can't be taken and request that the item is removed from the business of the meeting referring the matter to the Parent Board as detailed at 8.4 above.
 - Rule that the matter isn't a potential conflict and allow it to be discussed, ensuring that a note of the decision is taken and reported to Board as soon as is practically possible..