

Board Member Code of Conduct

Job Title	Director of HR and ICT (HRD)
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1. Supporting Policies and Procedures (included in induction pack)

Confidential Reporting (Whistle Blowing) Policy and Procedure
Data Protection Policy
Effective Governance Policy and Procedure
Expenses Policy and Procedure
Gifts and Hospitality and conflicts of interest policy
Fit and Proper
CHS Group's Rules (implemented 1998)

2. Role of the Board and the Code of Conduct

- 2.1 Members of the National Housing Federation (NHF) have a reputation for high standards of conduct and probity. In line with the overarching principle of openness, the NHF requires Housing Associations to have codes of conduct for their Board and Committee Members and employees.
- 2.2 The purpose of the Board is to determine strategy, direct, control, scrutinise and evaluate the organisation's affairs. Operational management is delegated to CHS employees.
- 2.3 The Board must be effective in leading and controlling the organisation and acting wholly in its best interest. Board Members must ensure that the interests of the organisation are placed before any personal interests.
- 2.4 The Board must demonstrate that the conduct of Board Members, Committee Members and employees should give our customers, partners and funders confidence, show integrity and at all times, avoid any suggestion of influence by improper motives.
- 2.5 The Board must set and ensure compliance with CHS values, vision, mission and strategic objectives of the organisation, ensuring its long-term success.
- 2.6 The Board of a parent organisation in a group structure must ultimately have the responsibility and the clear powers to direct the activities of its subsidiaries.
- 2.7 Committees of the Board may be established where the Board determines that they provide expertise and enable it to scrutinise and deliver effective corporate governance and manage risk.
- 2.8 Boards must provide leadership in operating in an open and transparent manner, having satisfactory dialogue with key stakeholders including tenants. Boards must demonstrate accountability to shareholders and other key stakeholders.
- 2.9 The Board must establish a formal and transparent arrangement for considering how the organisation ensures financial viability, maintains a sound system of internal controls and manages risk.

3. The Principles of Good Governance

- 3.1 The foundation of good governance is that there should be a balanced, diverse and effective Board. This Code of Conduct is designed to support the achievement of good governance.
- 3.2 The principles of good governance, developed by the NHF, are included here to set the Code of Conduct into context and to help Board Members to interpret the detail of the Code of Conduct effectively.

3.3 The principles of good governance are detailed below:

Standards:	the Board operates according to high ethical standards, explicit values and the NHF's Code of Governance
Accountability:	there is proper accountability to, and involvement of, all the organisation's stakeholders, including customers
Openness:	there is a spirit of openness, making full disclosure of governance matters and other information
Equality:	there is a fairness and equality of opportunity in all aspects of the organisation's governance
Review:	there are formal and open processes for the periodic review of the Board's own performance and that this should ensure its effective renewal
Clarity:	there is clarity of roles and responsibilities between the organisation's officers, Board Members, paid employees and shareholders
Control:	there are effective systems for internal delegation, audit and control
Information:	the Board receives adequate and timely information and advice to support its decisions
Structures:	there are effective employee and committee structures to support the work of the Board
Audit:	there are effective and proper relationships between the organisation and its external auditors and regulators

4. Code of Conduct General Requirements

4.1 Scope

- 4.1.1 Each Board and its Members must be clear about its duties and responsibilities.
- 4.1.2 A Board or Committee Member must observe the CHS Code of Conduct whenever he or she:
- Conducts the business of CHS
 - Conducts the business of the office to which he / she has been elected or appointed
 - Acts as a representative of CHS
- 4.2 A Board or Committee Member must:
- Demonstrate leadership and commitment to equality, diversity and inclusion as outlined in the Equality Act 2010 and in accordance with the organisation's activities
 - Comply with current legislation
 - Treat others with respect
 - Not do anything which compromises, or which is likely to compromise, the impartiality of those who work for, or on behalf of, CHS

5. Code of Conduct Summary

- 5.1 To demonstrate that Members do not get improper personal benefits from the activities of CHS, a 'Disclosure of Interest' form must be signed annually. Members are also required to complete a Fit and Proper Person declaration on an annual basis.
- 5.2 Members must not allow personal relationship with a customer, stakeholder or employee to conflict with the customer's or CHS' best interests.
- 5.3 Members will always avoid gifts or hospitality except in the very limited circumstances detailed in this Code and the Gifts and Hospitality and conflict of interests policy.
- 5.4 Members must not receive housing or other benefits from CHS, except as set out in the Gifts and Hospitality and conflict of interests policy.
- 5.5 Members will ensure that their personal monies are managed totally separately from CHS and expenses incurred as a result of work carried out on behalf of CHS are claimed according to the CHS Expenses policy and procedure.
- 5.6 The work of CHS involves confidential information about our customers, stakeholders, employees and our business and Members commit to respecting that confidentiality, save for the exemptions detailed in section 13.
- 5.7 Members understand fully that the work and reputation of CHS relies on them upholding and promoting the CHS aims and values at all times.
- 5.8 Members carry particular responsibilities for accountability and their conduct and integrity must be beyond reproach at all times. In their official capacity, or any other circumstances, should not conduct himself / herself in a manner which could reasonably bring CHS into disrepute and so
 - 5.8.1 Members must without delay inform the Chair of any issue or situation which could possibly compromise or breach the code of conduct. Thereafter the Board Member should update the Chair at regular intervals until the matter is fully resolved. The Chair is notified not to resolve the situation or intervene in any way but is informed purely from a governance perspective as they should be aware of any issue that could call into question a Members conduct or could be thought by others to do so.
 - 5.8.2 In the case of the Chair, the Chair should inform the Chair of the Audit and Finance Committee and Chair of one other Committee, keeping them updated regularly until the matter is resolved.
 - 5.8.3 Members should be aware of, and make sure they do not accidentally or deliberately use, the power/status difference as a Board Member to influence housing matters concerning themselves or any of their family or friends

6. Disclosure of Interests and Fit and Proper Person

- 6.1 All Members are required to sign a 'Disclosure of Interest' form before taking up their duties and annually thereafter. This covers any circumstance where the individual Member or a close relative, friend or associate of the individual Member could, in theory, receive a personal or business benefit as a consequence of any of CHS' activities. As such Members must ensure that their private and personal interests do not influence their decisions, nor may be thought by others to do so, and that they do not use their position to obtain personal gain of any sort for themselves, their family, friends or associates.

To avoid this Members are required to -

- declare any relevant interests and any actual or potential conflicts of interest as they arise which affect them, and their close family, friends or associates
- disclose participation in any societies, political or otherwise, or organisations not open to the public which have secrecy about their rules or conduct such as a lodge, chapter, or society
- disclose to the Chair and Chief Executive any personal or professional relationship which could give rise to a conflict of interest between Board Members
- when Members are paid employees or Board / Committee Members of, or providing goods or services to, other housing associations or not for profit organisations, declare any conflicts of interest arising by informing the Chair in writing
- disclose any conflict of interest either prior to or at a Board or committee meeting where a CHS interest and a personal / business interest coincide. Where this occurs the Member should offer to withdraw and, if invited to remain, refrain from voting on the matter. Examples of a conflict of interest could include the following:
 - an interest in any property being purchased by CHS
 - an interest in any company selling / letting or being an agent for any property being purchased / let by CHS
 - a business relationship with any person or firm entering into a contract to carry out work for CHS
 - a business relationship with any person or firm earning fees from work placed by CHS

- 6.2 Where the conflict is likely to reoccur on a frequent basis, the Member should offer to resign.
- 6.3 All declarations of interest are held on a register maintained by the HRD and every 12 months the HRD, will send Members a Declaration of Interests form they will be required to sign and return to record any real or potential conflicts of interest. The Register is available for inspection by employees, Board members and the public, unless there is a good reason for confidentiality. The Register will be presented to the Board every year for noting.
- 6.4 It is a condition of appointment that those holding Board provide confirmation in writing, on appointment and thereafter on demand, of their fitness to hold such posts. Members are also required to immediately notify the Chair and Chief Executive if they no longer satisfy the criteria to be a "fit and proper person" or other grounds under which they would be ineligible to continue in post.

7. Relationships with customers

- 7.1 Members must never allow a personal relationship with a customer to conflict with the customer's or CHS' best interests, nor allow themselves to be compromised by, nor take advantage of, their relationship with customers.
- 7.2 Members must not invite or influence a customer to make a will or trust under which any Member is named as executor, trustee or beneficiary.
- 7.3 If handling a customer's money, which should be avoided wherever possible, a Member must take extreme care, receipting every transaction.
- 7.4 Where Members are approached by customers concerning housing or service matters, Members should observe the following protocol:

- advise the customer to approach the relevant team within CHS
- not express an opinion which may be interpreted by the customer as 'taking sides', before understanding the full picture
- not become involved with any lobbying for allocations or transfers
- if the customer has a complaint, encourage them to use the CHS Complaints procedure.

8. Tenant Board Members

- 8.1 It is recognised that there may be times when being a tenant and a Board Member could be difficult. This includes relationships tenant Members have with other tenants, as these may be challenging simply by being a Board Member. As such it is important Tenant Board members are mindful of issues or circumstances which could put them in a compromising situation.
- 8.2 When a Tenant Board Member has a tenancy related matter the Board Member should raise this in the same way as any other tenant would do, that is directly with their local housing officer.
- 8.3 It is important that a Tenant Board Member informs the Chair about any issue arising from their tenancy as soon as possible. Thereafter the tenant Board Member should update the Chair at regular intervals until the matter is fully resolved. The Chair is notified not to resolve the situation or intervene in an operational matter but is informed as they should be aware of any issue that could call into question a Board Members conduct or could be thought by others to do so.
- 8.4 In recognition of the potential challenges a Tenant Board Member may have, the Board via the Chair will provide relevant support and advice when appropriate.

9. Relationships with staff

- 9.1 The Board has delegated the management of the staff and all operational matters to CHS employees. However, a good, open relationship and exchange of information between staff and Members can make a positive contribution towards the quality, accountability, and creativity of our services, provided that the following principles are maintained.
- 9.2 Members should maintain their primary role by keeping a proper governance distance from staff, by for instance:
- 9.2.1 Not issuing direct instructions to staff, unless specifically mandated by the Board to do so,
- 9.2.2 Not agreeing with staff to take action or order items which have a financial or resource implication,
- 9.2.3 Not implying agreement, or agreeing, to variations in policy, or strategy, or budget,
- 9.2.4 Ensuring that matters confidential to the Board or senior management are not discussed or, implied to staff.
- 9.3 Members should be aware of, and make sure they do not accidentally or deliberately use, the power/status difference between Board Members and staff. Staff may not understand a Board Member's role and may take comments by Board Members as instructions, or formal management advice, or an agreed position from the organisation. Board Members should, however, not stand back from making direct but balanced remarks to the relevant Director on their impressions of customer care, service quality or performance, since such feedback is a part of our being an open and learning organisation.

- 9.4 When interacting with staff, Members should also be aware of their role as Members of the body which is the Employer of the staff, and ensure that they exercise a proper duty of care towards staff, act within the relevant employment regulations, and organisational policies. It is helpful for Members to listen to staff views and take an interest in their work and development, as a way of informing their strategic decisions, however Members should take care not to give the impression of favouritism towards individuals or teams, and the following guidelines may be of use:
- 9.4.1 Avoid personal relationships with staff, including sharing leisure time, maintaining a professional relationship at all times,
 - 9.4.2 If a staff member has a complaint, encourage them to use the relevant internal CHS procedures and not get involved in the matter,
 - 9.4.3 If a staff member raises issues concerning current policy, raise as a policy issue with the Chief Executive or Chair.

10. Gifts and Hospitality

- 10.1 For more detailed information about this area please see the Gifts and Hospitality policy and conflict of interest policy.
- In summary; the giving and receiving of gifts and hospitality creates a relationship which can be seen to influence CHS's judgements and to monitor this, the HRD keeps a register of Gifts and Hospitality which is presented on an annual basis to the Board.
- 10.2 As a general rule, personal gifts to Members should not be accepted from employees, contractors, suppliers, customers, other clients of CHS or family members of any of these. The only exceptions to this rule are:
- 10.2.1 Minor gifts such as boxes of chocolates and inexpensive toiletries may be accepted provided they might reasonably be thought to be worth no more than £15. Trivial, inexpensive items such as ordinary pens, diaries and calendars may be accepted without being recorded in the Gifts and Hospitality Register. Such minor gifts received by a Member should be pooled and shared or distributed by a draw amongst the employees of CHS,
 - 10.2.2 Gifts of more than £15 value must be entered into the Gifts and Hospitality Register, held by the HRD,
 - 10.2.3 Where 4 or more gifts each of less than £15 value are received within 1 year by one person from or on behalf of one other person, then this should also be declared in the Gifts and Hospitality Register,
 - 10.2.4 Larger gifts of more than £15 value may be accepted where return is impossible or impractical because they are perishable. Such gifts should be shared as in 10.2.1.
- 10.3 Gifts of cash should not be accepted. Absolutely all offers of cash must be declared and recorded in the Gifts and Hospitality Register.
- 10.4 Personal gifts may not be solicited under any circumstances.
- 10.5 All personal offers of substantial and/or inappropriate gifts or hospitality must be refused. They should also be reported to the Chief Executive and recorded in the Gifts and Hospitality Register.
- 10.6 Any offer of a bribe should be reported immediately to the Chief Executive. Any person or organisation offering a bribe will be banned from any transactions or employment with CHS.
- 10.7 Members are not permitted to accept money or gifts left to them in a will by customers, other clients of CHS or family members of any of these. The only exception to this is where the Member is a family member of the deceased person.

- 10.8 Modest working meals and light refreshments can be accepted by Members without making any declaration or obtaining written consent from the Chair.
- 10.9 Other offers of hospitality should be carefully considered and only accepted if the hospitality:
- is on a modest scale, involving no unnecessary expense
 - is occasional and clearly linked with CHS' business
 - involves a genuine need to represent or provide information about CHS
 - involves attendance at a relevant conference or course where it is clear the hospitality is provided to a wide range of people and is corporate rather than personal
- 10.10 Any hospitality which is accepted within the terms of this Code of Conduct and the Gifts and Hospitality and Conflict of Interest policy and which might reasonably be thought to be worth more than £30 per person, must be declared in the Gifts and Hospitality Register.
- 10.11 Any offer of declined hospitality must be recorded in the Gifts and Hospitality Register.
- 10.12 There will be times when it is appropriate for CHS to offer hospitality. Any hospitality offered must be:
- consistent with CHS' status, objectives and business
 - within budget limits
 - The Chair must authorise in advance all hospitality to be offered by Members
- 10.13 These rules also apply to hospitality offered by CHS to its own Members, i.e. where Members are the only recipients. Only in very exceptional circumstances, and with the prior approval of the Chief Executive, can this be extended beyond modest refreshments needed to facilitate training sessions or meetings.

11. Housing or Other Benefits

- 11.1 Members must not receive housing or other benefits from CHS, except as allowed by CHS policy and as detailed in this Code. This does not preclude Board Members from being or becoming CHS tenants or CHS tenants from being or becoming Board Members .
- 11.2 No non-contractual payments can be made or benefits granted by CHS to Members or any of their close relatives unless these are covered by the specified exemptions in the Gifts and Hospitality and conflicts of interest policy. This restriction also applies to any business trading for profit, which is owned or managed by Members or any of their close relatives.
- 11.3 These legal restrictions were set out in Gifts and Hospitality and conflicts of interest policy.
- 11.4 Any payments or benefits granted which are made in accordance with the exemptions to Gifts and Hospitality and conflicts of interest policy, must be declared on the Gifts and Hospitality Register.

12. Personal Monies

- 12.1 Members will ensure that their personal monies are managed totally separately from CHS and expenses incurred as a result of work carried out on behalf of CHS are claimed according to the CHS Expenses policy and procedure. In summary members may not -
- receive any payment, grant or loan from any funds associated with CHS, except the reimbursement of expenses under the terms of the CHS Expenses policy and procedure

- receive loans from customers and may not give loans from their personal monies to employees, other Members or customers
- involve their personal monies with CHS' funds

13. Confidentiality and 'Whistle Blowing'

- 13.1 The work of CHS involves confidential information about our customers and our business including funders, agents or partner organisations as well as employees and applicants. Members must at all times commit to respecting that confidentiality, and adhere to the Data Protection policy.
- 13.2 In accordance with Data Protection -
- Where Members are unclear whether information can be released external to CHS, the explicit consent of the person concerned or a person authorised to give consent, must be sought. If in doubt, Members must consult the Chair or the Chief Executive or Data Protection Officer
 - Members should not disclose information given to him / her in confidence by anyone, or information acquired which he / she believes is of a confidential nature, without the explicit consent of a person authorised to give it, unless he / she is required to do so by law
 - Prevent another person from gaining access to information to which that person is entitled by law
- 13.3 Members who become aware of a breach of confidentiality should contact the Chair or Vice Chair (if in post).
- 13.4 Members should ensure they are aware of the Confidential Reporting (Whistle Blowing) policy and procedure, as this policy encourages employees to raise any serious concern with regard to the standards of service being provided, with Members if there are exceptional circumstances which prevent them from raising the issues with their line manager.
- 13.5 Any Member with a serious concern regarding the standards of service provided, particularly relating to the abuse or neglect of vulnerable people, fraud, corruption or malpractice should immediately contact the Chair.

14. External Activities

- 14.1 Members must not be involved in any significant party political activity (office-holding, public speaking and candidature for election etc. However in exceptional circumstances, Members involvement may be authorised by the Chair of the Board or Vice Chair (in their absence) in conjunction with Chief Executive.
- 14.2 Members must demonstrate the non-political nature of CHS and ensure that their personal political activities are totally separate from the work of CHS, and importantly that CHS itself cannot be brought into the political arena or its reputation or status damaged by a Members political activity.
- 14.3 If Members are required by the Chair or Chief Executive to make any political representation on behalf of CHS, Members must be seen to represent a balanced case in support of the CHS's Corporate Plan.
- 14.4 Members should not make a personal political statement, inferring it represents CHS Groups views.
- 14.5 If Members are offered payment for writing or speaking on CHS' business, any sums earned must be paid to CHS or donated to a charity approved by the Chief Executive and Chair.

15. Equality and Diversity

- 15.1 CHS is intent upon providing equality of opportunity for all in all services it provides, irrespective of disability, race, colour, ethnic or national origin, religion or belief, HIV/aids status, age or perceived age, sex, gender re-assignment, trans-gender status, marital or civil partnership status or sexual orientation and Members are committed to ensuring the right of people to be treated with fairness, respect and dignity at all stages of their lives. CHS recognises The Equality Act 2010 protects individuals against discrimination because of a number of specified protected characteristics, which are age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity.
- 15.2 Members should be aware of the scope for discrimination under the Equality Act 2010 in the granting of tenancies, contracts of employment and contracts for goods or services and therefore commit to following agreed and established procedures when involved with such issues, to prevent either direct or indirect discrimination from occurring.

16. Purchasing

- 16.1 Members commit to trying not to purchase any personal goods and services from suppliers, contractors and consultants who work with CHS wherever possible. This is in order to avoid any suspicion of preferential treatment or financial advantage gained by either party. If a Board Member is considering this they should seek approval from the Chair and the Chief Executive prior to purchase.
- 16.2 Every permissible transaction, which might reasonably be thought to be worth more than £300 must also be recorded in the Transactions Register held by the HRD.

17. Conduct at Meetings

- 17.1 Members commit to conducting meetings in a professional and business-like manner and to prepare for and attend meetings, training and development sessions and other recognised events. Members also accept the role of the Chair in presiding over meetings.
- 17.2 Members commit to contribute to and share responsibility for the decisions made at Board and other committee meetings, ensuring that all Members are given the opportunity to contribute and express their views before decisions are reached.
- 17.3 Members accept that the use of offensive language, incorporating foul language, remarks, particularly deprecating remarks based on the Equality Act protected characteristics is unacceptable and contrary to CHS' Equality and Diversity Policy. Any individual Member making such remarks or demonstrating such behaviour is dealt with according to the CHS's Rules.
- 17.4 Members commit to the development and implementation of an appraisal process, both on a collective and individual basis – this process will:
- a. review how well the Board performs its key roles
 - b. review the effectiveness of Board relationships
 - c. review the composition of the Board, the skills and contribution of its individual Members and the organisation's ability to recruit and retain the balance of Board Members it needs
 - d. result in a clear governance improvement plan with agreed actions at both the collective and individual level to deal with any identified weaknesses

18. Accountability of Members

- 18.1 Members carry particular responsibilities for accountability and their conduct and integrity must be beyond reproach at all times. Any Member who;
- 18.1.1 becomes subject to legal proceedings brought against him / her by CHS; or
- 18.1.2 brings legal proceedings against CHS; or
- 18.1.3 becomes subject to any criminal or civil proceedings, the nature of which could compromise his / her position as a Member; or
- 18.1.4 becomes bankrupt or subject to an agreement with their creditors will immediately inform the Chair in writing and shall be immediately suspended from membership of the Board and / or committee upon which they serve.
- 18.2 Upon the conclusion of any such proceedings, a General Meeting will decide whether to re-instate or to seek removal of the Member in accordance with the CHS Rules following the raising of a special resolution by the Board.
- 18.3 Members are reminded that they are required to operate within the published Rules of CHS – the Rules guide the operation of CHS and detail, amongst other items, the powers of, the function and composition of the board.
- 18.4 In particular, Members are reminded of the following rules:
- 18.4.1 No Board Member may act as such until they have signed and delivered to the Board a statement, confirming that they will meet their obligations to the Board and CHS – the Board may vary the form of statement from time to time (Rule D4.2),
- 18.4.2 Any Board Member who has not signed such statement without good cause within one month of election or appointment to the Board shall immediately cease to be a Member (Rule D4.3),
- 18.4.3 No one can become or remain a Board Member if:
- They are bankrupt or subject to an agreement with their creditors, or
 - They have been convicted of an indictable offence within the last five years, or
 - They are not a shareholder, or
 - They have absented themselves from four consecutive meetings of the Board without special leave of absence
- and any Board Member who at any time ceases to qualify under this rule shall immediately cease to be a Board Member (Rule D8),
- 18.4.4 No one can become or remain a Board Member if they are not a Fit and Proper Person to do so (as defined out in the Finance Act 2010). Members are required to confirm they fulfil the requirements as a fit and proper person each year,
- 18.4.5 No Board Member, co-optee or Member of a committee shall have any financial interest:
- Personally, or
 - As a member of a firm, or
 - As a director or other officer of a business trading for profit, or
 - In any other way whatsoever
- in any contract or other transaction with CHS, unless it is expressly permitted by CHS's rules (Rule D18),
- 18.4.6 Any Board Member, co-optee or member of a committee, having an interest in any arrangement between CHS and someone else shall disclose their interest, before the matter is discussed by the Board or any committee. Unless it is expressly permitted by CHS's rules they will leave the meeting unless requested to stay by the Board or committee. They will not be permitted to

vote on the matter in question. Any decision of the Board or committee shall not be invalid because of the subsequent discovery of an interest which should have been declared (Rule D20),

- 18.4.7 Every Board Member, co-optee and member of committee shall ensure that the Corporate Services Officer and HRD at all times has a list of all other bodies in which they have an interest as:
- A director or officer, or
 - As a member of a firm, or
 - As an official or elected member of any statutory body, or
 - As the owner or controller of more than 2% of a company the shares in which are publicly quoted or more than 10% of any other company, or
 - As the occupier of any property owned or managed by CHS, or
 - Any other significant or material interest (Rule D21),
- 18.4.8 If requested by a majority of the Board or Members of a committee at a meeting convened for the purpose, a Board Member, co-optee or Member of a Committee failing to disclose an interest as required by these rules shall vacate their office either permanently or for a period of time (Rule D22),
- 18.4.9 A Board Member, co-optee or member of a committee shall not have an interest for the purpose of Rules D18 to D20 as a Board Member or officer of any other body whose accounts are or ought to be consolidated with CHS accounts (Rule D24),
- 18.4.10 Board members, co-optees or members of committees who are tenants of CHS shall not have an interest for the purpose of Rule D20 in any decision affecting all or in a substantial group of tenants (Rule D25).

19. Failure to follow the Code of Conduct

- 19.1 Members must recognise that failure to follow this Code of Conduct may damage CHS and its work and will be viewed seriously.
- 19.2 In the unlikely event that such an issue should arise, if the Chair deems it necessary to remove a Board Member they have the right to signal that they intend to terminate a member's position on the Board and the following process will be followed.

Process

- a) Board Chair will write to the individual concerned stating in detail the reasons and evidence for terminating membership, and giving twenty working days allowing the Member to respond in writing.
- b) The Chair of Audit and Finance Committee along with at least one other Chair from either the HR Committee, New Business and Development Committee or Operations Committee would at the end of that twenty day period, consider the matter, ensuring that the Member's response was considered in an impartial manner before advising the Board Chair on what action should be taken.
- c) The Member concerned will have the opportunity to meet the Chair of Audit and Finance Committee along with at least one of the Chairs of the New Business and Development Committee and Operations Committee without the Board Chair being present.
- d) There may be occasions when the Chair of the Audit and Finance Committee instigates an investigation and may engage another Board Member to do so on their behalf.
- e) The Board Chair and the Chair of the Audit and Finance Committee would meet to consider the case and evidence, as any proposed termination would

be on the basis that continued membership could represent a severe or undue risk to the reputation or the conduct of business of CHS.

- f) A decision would then be communicated by the Board Chair to the Member concerned in writing.
 - g) A formal appeal to one of the Committee Chairs not previously involved in the matter could be lodged within 28 days. The Member will be advised in writing who this is.
 - h) The decision resulting from that appeal would be final.
- 19.3 If the matter concerns the Chair of the Audit and Finance Committee the Chair will appoint another Committee Chair to take the lead role.
- 19.4 If the matter concerns the Board Chair one of the Committee Chairs will seek further guidance from the Chief Executive or HRD as external input may be required.
- 19.5 There may be situations such as in cases of fraud or other legal matters when an investigation either internally or externally may need to take place without the Board Member in question being informed that this is taking place.