



# Probity Policy

## 1.0 Introduction

- 1.1 As a charitable organisation with charitable objects, Southern Housing is committed to the principles of good governance and transparency.

Everyone must demonstrate honesty and integrity and act with the highest ethical standards of personal and professional conduct in all we do.

- 1.2 This Policy applies to:

- Southern Housing colleagues (whether permanent, temporary, full-time or part-time)
- Southern Housing and its subsidiaries
- Governance members (this includes board members, independent members, trustees, committee members, and residents involved in the governance of the organisation)
- Agency staff, contractors, or other people/organisations representing Southern Housing and its subsidiaries
- Those providing services under a contract or other agreement with Southern Housing.

For the purposes of this Policy, the term 'individual' or 'you' includes all of those listed above. 'Our' or 'we' means Southern Housing.

- 1.3 Individuals must confirm they have read this Policy and agree to comply with it, and the Code of Conduct at all times whilst working with Southern Housing. This is done at least annually when completing a Declaration of Interest form and whenever circumstances change.

## 2.0 Legislation and registration

- 2.1 This Policy is aligned with Southern Housing's adopted Codes:

- National Housing Federation (NHF) Code of Governance (2020 edition)
- National Housing Federation (NHF) Code of Conduct (2022 edition).

The provisions within these relate to areas where we need to exercise probity and propriety.

- 2.2 In circumstances where Southern Housing faces situations not addressed by either Code, we will be guided by the [Seven Principles of Public Life](#) produced by the Committee on Standards in Public Life.

2.3 It is the responsibility of the Southern Housing Board to:

- Ensure compliance with [2.1 above](#)
- Ensure compliance with associated policies relating to statutory and regulatory requirements
- Ensure compliance with accepted standards of performance, probity, and good practice.

### **3.0 Code of conduct**

3.1 Individuals must demonstrate the highest levels of honesty, integrity and courtesy, and act with the highest ethical standards of personal and professional conduct in all they do.

Southern Housing has adopted the NHF Code of Conduct 2022 version. Compliance with this Code is reported annually to the Board.

3.2 There is a separate code for volunteers at Southern Housing.

### **4.0 Confidentiality and data protection**

4.1 When dealing with personal data, individuals must always comply with the [Data Protection Act 2018](#), [General Data Protection Regulation \(UK-GDPR\)](#) and Southern Housing's [Data Protection Policy](#).

4.2 Individuals must not use any information obtained in the course of their duties for personal gain or benefit, nor should it be passed to others who might use it in such a way.

### **5.0 Fraud, bribery, corruption, and theft**

5.1 Individuals must not offer, seek, or accept bribes or inducements to act improperly or corruptly.

5.2 Fraud and other irregularities will not be tolerated. Everyone within Southern Housing is responsible for protecting the organisation against the risk of fraud, bribery, corruption, and theft, and should report any concerns immediately. Refer to the [Anti-Fraud, Bribery, Corruption & Thefts Policy](#).

### **6.0 Anti-money laundering**

6.1 Money laundering can take a number of forms. At Southern Housing, money laundering is defined as the process by which criminally obtained money or assets are exchanged into something else to 'clean' them.

6.2 Everyone must understand the risk of money laundering in Southern Housing operations, be vigilant and challenge unusual behaviours, and report concerns promptly. Refer to the [Anti-Money Laundering Policy](#).

## **7.0 Gifts and hospitality**

- 7.1 Individuals must not offer, seek, or accept gifts, hospitality or other benefits from individuals or organisations that might reasonably be seen to compromise their judgement or integrity or place them under an obligation to those individuals or organisations.
- 7.2 The [Gifts and Hospitality Policy](#) covers gifts, hospitality, legacies, sponsorship, prizes, and donations. Individuals must declare any gifts and/or hospitality given or received for entry in the Gifts and Hospitality register whenever necessary.

## **8.0 Whistleblowing**

- 8.1 Concerns about issues of malpractice within Southern Housing can be raised in confidence. Refer to the [Whistleblowing Policy](#) on making a disclosure.

## **9.0 Declarations of interest**

- 9.1 Conflicts or potential conflicts of interest must be declared so individuals are not involved in decisions where their actions could be perceived as biased.

Line managers will put an action plan in place to monitor any declarations.

It is the individuals' responsibility to ensure their Declaration of Interest form is up to date and any conflict of interest is prevented from arising. All new employees and Governance members are required to complete a Declaration of Interest. Thereafter, Governance members and all postholders from Head of Service level and above must complete a Declaration of Interest form annually for each financial year, or whenever circumstances change (even on a temporary basis).

The importance of completing Declarations of Interest and the need to advise of any changes will be communicated across the business each year.

- 9.2 Conflicts or potential conflicts can arise when an individual is related to or closely connected to another person. At Southern Housing, wherever the terms 'related party', 'closely connected', or 'close connection' are used, this means:

- Partner
- Parent or parent-in-law
- Son, daughter, stepson, stepdaughter, or child of partner
- Brother or sister, or brother or sister of a partner
- Grandparent, grandchild
- Uncle, aunt, nephew, niece, cousin
- The partners of any of the above
- Any dependents
- Any person on whom the individual depends on including estranged,

separated and divorced family members (and estranged, separated and divorced persons who might reasonably be regarded as similar to family members)

- A close friend, for example someone who knows the individual well, is a regular part of their life and in regular contact.

9.3 Probity approval isn't required for acquaintances. A 'related party'/'close connection' is defined (as above) as more than an acquaintance. An acquaintance includes a former colleague, business associate, or someone known through general social contact.

9.4 The test when considering who is a 'related party' or 'close connection' is - would a member of the public reasonably think the individual would favour their 'related party'/'close connection'?

## **10.0 Use of suppliers**

10.1 Individuals must take care to avoid any suggestion of impropriety or collusion in their professional or personal relationships.

Sometimes it is unavoidable to use a Southern Housing approved supplier for personal work. If challenged, individuals may have to demonstrate that they have gained no advantage because of their role at Southern Housing.

Where a conflict or potential conflict arises, individuals should declare it by updating the Declaration of Interest form. Managers must take steps to ensure staff concerned are not involved in any procurement approval process or ongoing relationship with a supplier.

10.2 Suppliers cannot be on the approved supplier list if a colleague, a governance member, or a 'related party' have a significant interest in that business.

This significant interest must be in a business trading for profit and defined as:

- Shareholder in a company
- Partner in a conventional partnership; limited partnership or liability partnership
- Holder of other rights which entitle the association to an interest in the underlying assets or revenues of the business
- Lender to the business
- Any other expression of company ownership.

## **11.0 Personal benefit**

11.1 **Offers of accommodation/garages**

- We can make offers of accommodation (including tenancies, transfers, direct lets, shared ownership, open market sales and leases) or garages to individuals connected to Southern Housing or a related party.

- The line manager must complete and submit the appropriate probity form to the Governance Team:
  - *Allocation of accommodation to an employee*
  - *Allocation of accommodation to a related party*
  - *Allocation of a garage to an employee*
  - *Allocation of a garage to a related party.*
- A declaration of interest must be made, and the line manager must confirm how the declaration will be managed.
- After review by the Director of Governance & Regulation or the Head of Governance & Regulation, the Governance Team will submit the form to the Executive Director of People & Culture or in their absence the Chief Operating Officer for approval.
- The Governance Team maintains a probity register with records of all declarations.
- The Governance Team will inform the Southern Housing Board of any reported breaches as part of the annual probity update.

## 11.2 **Offers of employment**

- All offers of employment will be made in line with the Recruitment Policy.
- Where a candidate has declared an interest, the recruiting manager must submit the employment of a related party probity form to the Director of People Services.
- The Director of People Services will advise the Governance Team and submit the form to the Executive Director of People & Culture for approval.
- The employee having a close connection will play no part in the recruitment process or on-going management. This relates to direct line management and line of management e.g. where an individual's director is the close connection but not their direct line manager.
- In the case of an offer involving a Board, Committee, or Executive Team member, approval from the Board will be required.
- Both parties must make a declaration of interest, and line managers must confirm how the declaration will be managed.
- The Governance Team maintains a probity register with records of all declarations.
- The Governance Team will report any breaches to the Southern Housing

Board as part of the annual probity update.

- Governance members can apply for employment at Southern Housing, but if appointed they will have to resign from their duties as a governance member. This doesn't apply to the CEO and other executive directors who are subsequently appointed as board members/directors (in their capacity as executive directors).

## **12.0 Redundancy**

- 12.1 We'll make redundancy payments in line with the Managing Change & Redundancy Policy.

## **13.0 Non-contractual (ex-gratia) payments**

- 13.1 Southern Housing will make an ex-gratia payment where a business case supporting the necessity is approved. This is on the understanding the payment is made to settle any and all claims the employee has or may have arising in relation to the employee's employment or termination. All payments are made without admission of liability and subject to a settlement agreement.

- The Executive Director of People & Culture will approve payments up to £15,000
- The Executive Team will approve payments between £15,001 and £25,000
- The People Committee will approve any payments of over £25,000.

We'll report all settlement agreement payments to the People Committee quarterly.

- 13.2 We'll document all settlement agreement payments and process payments through the Payroll department with all required documentation to ensure an appropriate audit trail is maintained.

## **14.0 Payments to residents**

- 14.1 We can make payments to residents for their involvement in:

- Scrutiny Panel activities – Scrutiny Panel members receive an honorarium for their services. The members are residents and not employees of Southern Housing.
- Informal resident involvement activities – we offer shopping vouchers for participation in specific activities/tasks.
- Prize draws – we usually offer these when inviting a larger pool of residents to take part in a consultation. We select a winner, at random, to receive a shopping voucher.

## 15.0 Probity training and awareness

- 15.1 Colleague employment contracts and board member service agreements include responsibilities with regard to probity and conduct. We also provide training covering responsibilities.

Individuals agree to abide by the Probity Policy and [Code of Conduct](#) when completing their Declaration of Interest form.

- 15.2 On the day of an event, the Resident Involvement Team informs residents who are not governance members, but who participate in forums or other activities, of the required levels of behaviour we expect from them during their involvement.

## 16.0 Breaches

- 16.1 Southern Housing and its subsidiaries will take appropriate action against individuals who fail to comply with the Probity Policy and its associated policies, codes and procedures.

- We'll deal with breaches under the Disciplinary Policy or the *Breach Procedure for Governance Members* as appropriate.
- Also refer to the *Complaints About Governance Members Policy*.

## 17.0 Review

- 17.1 We'll review this Policy every two years to incorporate legislative, regulatory, best practice developments, or address operational issues.

### Policy controls

Effective from	30 January 2024
Approved by	Board
Approval date	30 January 2024
Policy owner	Director of Governance & Regulation
Policy author	Director of Governance & Regulation

Version history			
Version no.	Date	Summary of change	Author and approver
1.0	16.12.22	New policy	Alison Wignall, Director of Governance & Regulation (Optivo) Shadow Board

2.0	30.01.24	<p>1.2 – added SH &amp; its subsidiaries, independent members, trustees</p> <p>9.1 – more detail on DoI form</p> <p>11.1 &amp; 11.2 – offers of employment or accommodation/garages approval delegated from CEO to the Executive Director of People &amp; Culture</p> <p>13.1 – payment amounts increased by 5k</p> <p>Other minor wording changes</p>	<p>Puneet Rajput, Director of Governance &amp; Regulation</p> <p>Board</p>
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