

# **Dovecotes TMO**

## **Code of Good Governance**



### **Key Themes**

## **Dovecotes TMO Vision**

### **Governance at a Glance**

“Good governance is about making sure an organisation is well run. Organisations that are not well governed tend not to make the best of their opportunities and resources. In extreme cases a lack of good governance can put the entire organisation at risk. Good governance therefore plays an essential part in securing the future of an organisation.”

#### **What Does an Effectively Governed Organisation Look Like?**

A well governed organisation, it is hard to describe but you know it when you see it. Here is a list we can identify in most effectively governed non-profit organisations.

- The board and staff interact in an environment of mutual trust and respect.
- Board members participate in hardy discussions and deliberations at board meetings.
- Each board member feels empowered to ask tough questions.
- The board is confident that the staff of the organisation is competent and trustworthy.
- Well-written reports are provided to the board.
- The board is developing an on-going manual that defines how they will govern the organisation.
- The board has adopted and enforces procedures concerning board limits and rotation which balances the need for new leadership with a fresh perspective with the benefit of leadership continuity.
- The board meets regularly and uses committees to make recommendations to the entire board. Standing committees include governing, personnel, finance, audit, marketing and fundraising.
- Periodic self-assessment of the board's efforts and effectiveness is implemented.
- The board is committed to on-going board training.

Governing bodies set long term goals and strategies, determine the policies by which the organisation will operate and ensure that the group or organisation complies with all necessary legal and regulatory duties.

The governing body is ultimately accountable for the actions and performance of the group or organisation, so it's really important that each individual involved understands their role and responsibilities and that all work well together with a common understanding of good governance.

Members of the governing body are collectively and individually responsible for controlling the management and administration of a not-for-profit organisation. They receive no financial reward, but a well governed organisation will provide

opportunities for personal and professional development, in return for the selfless time, skills, knowledge and experience that board / committee members contribute.

Dovecotes believe Good Governance is based upon key principles:

### **Principle 1: Management board leadership**

**The key principle:** leadership is one of the key roles of any management board. Every voluntary and community organisation should be led and controlled by a management board which ensures delivery of its objects, sets its strategic direction and upholds its values.

Supporting principles:

#### **The role of the management board:**

Management board members have ultimate responsibility for directing the activity of the organisation, ensuring it is well run and delivering the outcomes for which it has been set up.

Every management board should have a clear understanding of its roles and responsibilities and should provide leadership to the organisation by:

- Setting the strategic direction to guide and direct the activities of the organisation.
- Ensuring the effective management of the organisation and its activities.
- Monitoring the activities of the organisation to ensure they are in keeping with the founding principles, objects and values.

### **Principle 2: The management board's responsibilities, legal requirements and obligations**

**The key principle:** management board members are equally responsible in law for board actions and decisions. They are collectively responsible and accountable for ensuring that the organisation is performing well, is solvent and complies with all its obligations.

Supporting principles:

#### **Compliance**

The management board must ensure that the organisation understands and complies with its own governing document, i.e. the Rules of the Co-operative, relevant laws, and contractual obligations and the requirements of any regulatory bodies.

#### **Internal controls**

The management board should maintain and regularly review the organisation's system of internal controls, performance reporting, policies and procedures.

#### **Equality and diversity**

The management board must ensure that it upholds and applies the principles of equality and diversity and that the organisation is fair and open to all sections of the community in all of its activities.

#### **Prudence**

The management board must act prudently to protect the assets and property of the organisation and ensure that they are used to deliver the organisation's objectives.

### **Managing risk**

The management board should understand and regularly review the risks to which the organisation is subject and take action to manage the risks identified.

### **Managing staff and volunteers**

The management board needs to understand the distinction between employees and volunteers and ensure that good practice in the recruitment and management of both staff and volunteers is in place.

## **Principle 3: The effective management board**

**The key principle:** the management board should have clear responsibilities and functions and should organise itself to carry out these responsibilities effectively.

Supporting principles:

### **Management board member duties and responsibilities**

Management board members should understand their individual and collective roles, responsibilities and accompanying duties. They should have these clearly outlined in writing for all management board members.

### **The effective management board**

The management board should organise its work to ensure that it makes the most effective use of the time, skills and knowledge of management board members.

### **Information and advice**

Management board members should ensure that they receive the appropriate advice and information they need in order to make good decisions.

### **Skills and experience**

Management board members should have or ensure that they have access to the diverse range of skills, experience and knowledge needed to run the organisation effectively.

### **Training, development and support**

Management boards should ensure that all their members receive the necessary induction, training and ongoing support needed to discharge their duties effectively.

### **Staff**

The management board should ensure proper arrangements for the supervision, support, appraisal and remuneration of all staff including the employee in the most senior position.

### **Volunteers**

The management board should ensure proper arrangements are in place for the recruitment, supervision and support of volunteers including clearly defined written roles and a policy is in place to reimburse reasonable out of pocket expenses. Policies and procedures should refer to volunteers as well as paid staff as appropriate.

## **Principle 4: Performing, reviewing and renewing management board**

**The key principle:** the management board should periodically review its own and the organisation's effectiveness and take any necessary steps to ensure that both continue to work well and meet legal requirements.

Supporting principles:

### **Renewal and recruitment**

Recruitment of new management board members should be open and focused on creating a diverse, skilled and effective management board. The management board should plan for and have a strategy for its own renewal.

### **Review**

The management board should periodically carry out reviews of all aspects of the organisation's work, starting with its governing document, and use the results to inform positive change.

### **Performance appraisal**

The management board should regularly review and assess its own performance, that of individual management board members and of sub-committees, standing groups and other bodies.

## **Principle 5: Management board delegation**

**The key principle:** the management board should set out the functions of sub-committees, officers, staff and anyone performing duties on behalf of the management board in clear delegated authorities and should monitor their performance.

Supporting principles:

### **Effective delegation**

The management board should ensure that staff, volunteers and anyone performing duties on behalf of the management board have sufficient delegated authority to carry these out. All delegated authorities must have clear written limits relating to budgetary, reporting and other matters.

### **Terms of reference**

The management board should set clear terms of reference for sub-committees, standing groups, advisory panels, etc.

### **Monitoring**

All delegated authorities must be subject to regular monitoring by the management board.

## **Principle 6: Management board integrity**

**The key principle:** the management board should view maintaining the integrity and interest of the organisation as a primary overriding duty. They should act reasonably at all times in the interests of the organisation and of its present and future beneficiaries, users and/or members. All individual management board members should act according to high ethical standards and ensure that breaches of confidentiality and conflicts of interest are properly dealt with.

Supporting principles:

### **No personal benefit**

Members of the management board must not benefit from their position beyond what is allowed by their governing document and the law and only when it is in the best interests of the organisation.

## **Dealing with conflicts of interest**

Members of the management board should identify and promptly declare any actual or potential conflicts of interest affecting them, including conflicting loyalties, which may arise when, members are appointed as representatives of other organisations.

### **Probity**

There should be clear guidelines for receipt of gifts or hospitality by management board members.

## **Principle 7: Management board openness**

**The key principle:** the management board should be open, responsive and accountable to its users, beneficiaries, members, partners, funders and others with an interest in its work.

Supporting principles:

### **Communication and consultation**

Each organisation should identify those with a legitimate interest in its work (stakeholders) and ensure that there is regular and effective communication with them about the organisation.

### **Openness and accountability**

The management board should be open and accountable to stakeholders about its own work and the governance of the organisation.

### **Stakeholder involvement**

The management board should encourage and enable the engagement of key stakeholders such as users and beneficiaries, in the organisation's planning and decision-making.

## **Glossary of Terms**

**Governance** is about leadership and ensuring that an organisation is effectively and properly run. It has been defined as "the systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of an organisation"

**Autonomous** is a self-governing, independent body, which is free from external control and constraint.

**Not-for-profit organisations** may be better described as not-for-*personal*-profit as these organisations may make a profit in line with their objects but they don't distribute the profits among the members but rather use the profits to further the purposes of the organisation.

**Volunteering** is defined as the commitment of time and energy, for the benefit of society and the community, the environment or individuals outside one's immediate family. It is undertaken freely and by choice, without concern for financial gain.

**Prudence** is care, caution and good judgement as well as wisdom in looking ahead.

**Compliance** is the act of conforming to official requirements.

**Integrity** is used to describe soundness of moral character; this is demonstrated through adherence to moral and ethical principles.

**Probity** is to behave with integrity, being open, transparent and honest.

**Equity** is used to mean fairness and impartiality.

**Diversity** is used to describe the quality of being different.

**Effectiveness** is being able to bring about the intended or expected result.

**Accountability** is being liable for one's responsibilities and answerable for one's actions in relation to these.

**Code of Governance for Board Members of Dovecotes TMO  
Tenant Management Organisation  
A Company Limited by Guarantee Registration No. 05692344**

**1. Introduction**

The TMO has many responsibilities that must be met effectively and fairly. As a representative of other residents sometimes dealing with difficult and confidential issues TMO committee members will require discretion and care to be exercised in the performance of their duties and responsibilities. This Code of Confidentiality for TMO committee members gives guidance about the way in which they should carry out their duties once elected or nominated to the TMO Committee.

The Code protects the rights of individual tenants and the TMO staff, and covers the behaviour of Board Members, TMO Staff, Contractors or Employees of other agencies working within the area of the TMO. At the same time as complying with the Code, the TMO committee must operate within its own Rules as a Company limited by guarantee. The TMO committee must also operate within the terms of the Management Agreement.

**2. Induction Training**

Training and advice will be provided for newly elected or nominated TMO committee members, and for newly appointed TMO staff who are not familiar with the TMO. This training will relate to this Code of Confidentiality and the role of TMO committee members. All newly elected TMO committee members will be required to participate in induction training within three months of joining the TMO committee

**3. Confidentiality**

Confidential information made available to the TMO committee or individual TMO committee members must not be passed on to another person without the approval of the TMO committee or the individual(s) concerned. Confidential information will be limited to TMO committee members only. The wider membership of the company do not have the right to confidential information.

If a resident confides in a TMO committee member, then any information is confidential to that individual TMO committee member, unless the resident has requested that it be discussed with the full TMO committee.

When matters concerning individual residents are discussed at TMO committee meetings (such as action to deal with a breach of the tenancy agreement, rehousing matters and rents and arrears), information must not include names and addresses. The fact that the described circumstances may

give an indication of the person's identity will not be regarded as a breach of confidentiality. TMO committee members do not have the right to look at individual tenants' records. Confidentiality will be maintained through registration under the Data Protection Act.

#### **4. Personal Interest of Board Members**

TMO committee members must not use their position as a TMO committee member to seek preferential treatment by the TMO, or WCC or the Local Housing Office. Neither should TMO committee members be treated any less favourably than other tenants. They must use agreed procedure for reporting repairs and in pursuing other enquiries relating to their own tenancy or occupancy.

Where TMO committee members have a personal interest in a matter being discussed by the TMO they should declare this. In some cases it may be necessary for individual TMO committee members to abstain from discussion or leave the meeting during discussion of a particular item.

**For clarification** this will not apply in circumstances where the TMO committee is discussing a matter, which may affect a member as one of many residents. For example, a discussion about estate improvements may well benefit or disadvantage a TMO committee member, but this would not require a declaration of interest. Where the TMO committee is discussing rent arrears policy, a TMO committee member who is in arrears at that time should NOT have to declare an interest nor abstain from the discussion, even where they may benefit from any decision. TMO committee members could seek confidential guidance on this point from the TMO Housing Manager and/or the Chairperson prior to the meeting.

Discussions which relate specifically to a TMO committee member or one of their family are likely to require a declaration as would for example a discussion involving an outside body or contractor where the TMO committee member is involved in or employed by that outside body.

If a TMO committee member only thinks that a case being discussed may involve, for example, a close friend they should not declare an interest unless they know that as fact.

Article 37 of the Company rules states that TMO committee members “shall declare an interest in and shall not vote in respect of any contract in which s/he has a personal financial or material interest, whether direct or indirect, or any matter arising therefrom.”

The TMO committee shall take such steps as are necessary to ensure that once each year, before the first TMO committee or general meeting or after the annual general meeting the committee members and the officers of the TMO shall declare any personal business interests to the Secretary who shall record the interest declared in a register kept for that purpose. This registered shall be kept at the Registered Office and shall be open to inspection by any member or officer of the Council, member of the Company, or member of the public during normal office hours on reasonably notice or at such other times as the Council may reasonably require.

## **5. Staff Relations**

TMO committee members and staff should be courteous to each other at all times. TMO committee members should support and assist staff in order to achieve the best possible service.

Individual TMO committee members must not issue instructions to staff directly. The TMO Housing Manager's responsibilities for instructing staff are to be recognised at all times.

If a TMO committee member has a complaint about any member of staff, this must be discussed with the TMO Housing Manager in the first instance. If the complaint cannot be resolved and the complaint is serious, it should be made in writing to the TMO Housing Manager, who will investigate the matter and take any necessary action. If the complaint is against the TMO Housing Manager this should be reported to the Chair of the TMO committee. A formal complaint made to the Manager or Chair is a very serious matter for any employee and such complaints should never be made casually or maliciously

## **6. Representing Tenants**

Wherever possible, if residents approach TMO committee members with problems, the TMO committee member should encourage the person to deal directly with the office staff in the first instance. Where it is appropriate for the TMO committee member to raise a matter on behalf of a resident, this should be raised in the first instance with the TMO Housing Manager (e.g. where they have already raised the matter with the TMO Housing Office, and feel they have not received satisfaction). The TMO committee will have agreed procedures for TMO committee members to raise matters on behalf of residents. TMO committee members should not expect favourable treatment for these enquiries taken up on behalf of other residents e.g. in relation to the completion of repair works or allocation of properties. All such enquiries will be dealt with according to the policies and procedures of the TMO and the Council. Such matters should be raised at TMO committee meetings only if the Housing Manager has not resolved the matter to the satisfaction of the TMO committee member.

## **7. TMO Committee Meetings**

TMO committee members may put items on TMO committee meeting agendas, up to seven days before the meeting. Any urgent items will be included on the agenda subject to the discretion of the Chair. Individual cases (e.g. repairs complaints) should not be raised at TMO committee meetings unless it has been specifically agreed in advance.

If TMO committee members are unable to attend TMO committee meetings they should send apologies.

## **8. The Role of Councillors**

Councillors who may be co-opted or attend TMO committee meetings are also accountable in their wider role and the TMO committee should acknowledge this at all times. In dealing specifically with landlord duties that are delegated to the TMO (e.g. repairs, lettings) co-opted Councillors are full and equal members of the TMO committee. Enquiries raised by them with regard to those landlord duties will be given no less and no greater priority, by the TMO or the TMO staff, than enquiries raised by other TMO committee members.

## **9. Breaches of the Code**

The Code of Confidentiality must be signed by, and adhered to, by all TMO committee members. Deliberate or frequent breaches of the Code by a member must be treated seriously by the TMO committee, which must take steps to avoid a repeat of the breach. Certain breaches are grounds for removal from the TMO committee. Article 38 of the company memorandum and articles include the following grounds for immediate removal from the TMO committee:

- failing to declare an interest in any contract as referred to in Article 37
- is absent from three successive meetings of the TMO committee during a continuous period of twelve months without special leave of absence from the TMO committee and they pass a resolution that s/he has by reason of such absence vacated office
- discloses confidential information concerning tenants on the estate to any person who is not authorised to receive such information and the TMO committee resolves that the TMO committee member should retire immediately.

If the TMO committee wishes to remove a TMO committee member for other breaches of this code, it must refer the matter to an Extraordinary General Meeting.

## **11. Grievance Procedure**

It is the TMO policy to encourage and promote good communications and to ensure that any questions raised or problems that arise are dealt with quickly. Any queries or problems should initially be raised with the TMO Board who will attempt to resolve them. However, where such a resolution is not possible, and a formal complaint is received this procedure will be followed. The grievance procedure has been designed to enable Board Members, TMO Staff, Contractors or Employees of other agencies working within the area of the TMO and Residents of Dovecotes to raise grievances in an orderly and constructive manner, thus ensuring that they are resolved as quickly as possible.

### **TMO Code of Confidentiality Grievance Procedure**

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#### **STAGE ONE**

Any grievance related to behaviour covered by the Code of Confidentiality should raise it, either orally or in writing, with the TMO Chair (or if not appropriate to the Vice Chair or secretary of the TMO). S/he will arrange a meeting to discuss the grievance with the complainant, and this will normally occur within five days of the grievance being raised.

If the TMO Housing Manager has a grievance related to TMO staff employment s/he should raise the matter with the Chairperson of the company whose role is to provide support and a point of contract. Should the matter in either case remain unresolved the employee may refer the TMO staff grievance procedure.

#### **STAGE TWO**

If the issue of the complaint comes under the Code of Confidentiality and is not resolved the complainant may request a meeting with the TMO Grievance sub-committee, which shall be constituted from the TMO board on the basis of impartiality. The Chair (or appropriate person) will convene the meeting where possible within 5 days, and must include details of the grievance to the sub committee members. The sub-committee will interview the complainant and member in breach of the code separately. A member of the sub committee will be nominated to prepare notes on the meeting and will give copies to the complainant and member in breach of the code and will notify the complainant in writing the results of the meeting. Should the matter remain unresolved, the complainant may refer the matter to stage three.

## **STAGE THREE**

If the grievance remains unresolved the complainant will notify the Chair of the TMO in writing within 5 days of the stage two sub committee meeting of their intention to raise the matter at the next board meeting having placed in writing the reasons for not accepting the decision of the sub committee. A special meeting of the full board will be held to hear the appeal. The company secretary will inform the complainant in writing of the results of the appeal. The decision of the TMO board shall be final and binding the board having the ultimate ability to suspend a board member under this procedure and call a Special General Meeting of the Organisation to confirm the removal of an elected board member if required under the Memorandum and Articles of the Company.

**Name of Board Member / TMO Staff Member :**

**Signed:**

**Date:**

**Date copies filed & Grievance Procedure issued**