



Argyll College UHI

Board of Governors Code of Conduct

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ARGYLL COLLEGE UHI LTD

Board of Governors Code of Conduct

Introduction

- 1.1. The Scottish public has a high expectation of those who serve on the boards of their public services and the way in which they should conduct themselves in undertaking their duties. You, as a member of the Board of Governors of Argyll College UHI Ltd., must meet those expectations by ensuring that your conduct is above reproach.
- 1.2. As a member of the Board of Governors, it is your responsibility to make sure that you are familiar with, and that your actions comply with, the provisions of this Code of Conduct.

Guidance on the Code of Conduct

- 1.3. It is your personal responsibility to comply with the rules contained within the Code. You must review regularly, and at least annually, your personal circumstances with this in mind, particularly when your circumstances change. You must not at any time advocate any action contrary to this Code of Conduct.
- 1.4. This Code has been developed in line with the key principles listed in Section 5.2 and provides additional information on how the principles should be interpreted and applied in practice. No Code can provide for all circumstances and if you are uncertain about how the rules apply, you should seek advice from the Board Secretary. You may also choose to consult your own legal advisers and, on detailed financial and commercial matters, seek advice from other relevant professionals.

Enforcement

- 1.5 As an unincorporated body, Argyll College UHI is not bound by the model code of conduct and enforcement provisions for public bodies introduced through The Ethical Standards in Public Life etc. (Scotland) Act 2000, but does voluntarily align itself with its provisions, modified to Argyll College UHI circumstances where appropriate.
- 1.6 Alleged breaches of the Code will be examined as explained in Annex A. If it is found that there has been a breach of the Code, the sanctions which may be applied are also laid out in Annex A.

2. Key Principles of the Code

The general principles upon which this Code of Conduct are based are:

Public Service: you have a duty to act in the interests of the Board of Governors and in accordance with its core tasks.

Selflessness: have a duty to take decisions solely in terms of public interest. You must not act in order to gain financial or other material benefit for yourself, family or friends.

Integrity you must not place yourself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties as a member of the Board of Governors.

Objectivity you must make decisions solely on merit when carrying out public business.

Accountability and Stewardship you are accountable for your decisions and actions to the public. You have a duty to consider issues on their merits, taking account of the views of others and must ensure that the Board of Governors uses its resources prudently and in accordance with the law.

Openness you have a duty to be as open as possible about your decisions and actions, giving reasons for your decisions and restricting information only when the wider public interest clearly demands.

Honesty you have a duty to act honestly. You must declare any private interests relating to your public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership you have a duty to promote and support these principles by leadership and example, to maintain and strengthen the public's trust and confidence in the integrity of the Board of Governors and its members in conducting public business.

Respect you must respect fellow members of the Board of Governors and employees of the Board of Governors and the role they play, treating them with courtesy at all times. This applies equally to all you come into contact with and it is expected that you will act in ways that accord with the College's value statement and equal opportunities policies.

You should apply the principles of this Code to your dealings with fellow members of the Board of Governors and its employees.

3 General Conduct

3.1. Relationship with Employees of the Board of Governors

You will treat any staff employed by the Board of Governors with courtesy and respect. It is expected that employees will show you the same consideration in return.

3.2 Allowances and Remunerated Work

- 3.2.1. Board members may claim reasonable expenses for Board activity that they attend. These are approved by the Chair of the Board. Claims should be submitted within six months of the event unless there are reasonable grounds for non-submission in that time frame.
- 3.2.2 You should not accept any remunerated work at the College as a member of the Board of Governors.
- 3.2.3 If you are aware, or become aware, that the organisation for which you are employed or are a director tenders for any work at the College this will be dealt with under the College Financial Regulations. Your association with the College should be declared in any procurement process, you should not be part of any tender exercise and neither should you benefit directly from any work awarded as a result.

3.3. Gifts and Hospitality

3.3.1. You must never canvass or seek gifts or hospitality.

3.3.2. You are responsible for your decisions connected with the offer or acceptance of gifts or hospitality and for avoiding the risk of damage to public confidence in the Board of Governors. As a general guide, it is usually appropriate to refuse offers except:

- isolated gifts of a trivial character or inexpensive seasonal gifts such as a calendar or diary, or other simple items of office equipment of modest value;
- normal hospitality associated with your duties and which would reasonably be regarded as inappropriate to refuse; or
- gifts received on behalf of the Board of Governors.

3.3.3 You must not accept any offer by way of gift or hospitality, which a member of the public might reasonably think, could influence you in the performance of your duties as a member of the Board of Governors to show favour, or disadvantage, to any individual or organisation. You should also consider whether a member of the public might reasonably think that you could be influenced in the performance of your duties as a member of the Board of Governors by any gift received by your spouse or cohabitee or by any company in which you have a controlling interest, or by a partnership of which you are a partner. The term “gift” includes benefits such as relief from indebtedness, loan concessions, or provision of services at a cost below that generally charged to members of the public. You must not accept repeated hospitality from the same source.

3.3.4. You must record details of all gifts and hospitality received (or offered and rejected) with the Board Secretary. The Board of Governors must make available that record for public inspection.

3.3.5. You must not accept any offer of a gift or hospitality from any individual or organisation which stands to gain or benefit from a decision the Board of Governors may be involved in determining, or who is seeking to do business with the Board of Governors, and which a member of the public might reasonably think could influence you in the performance of your duties as a member of the Board of Governors.

3.4. Confidentiality Requirements

3.4.1. There may be times when you will be required to treat discussions, documents or other information relating to the work of the Board of Governors in a confidential manner. You will often receive information of a private nature which is not yet public, or which is not intended to be public. There are provisions in legislation on the categories of confidential and exempt information and you must always respect and comply with the requirement to keep such information private.

3.4.2. It is unacceptable to disclose any information to which you have privileged access, for example derived from confidential documents, either orally or in writing. In the case of other documents and information, you are requested to exercise your judgement as to what should or should not be made available to outside bodies or individuals. In any event, such information should never be used for the purpose of personal or financial gain, or used in such a way as to bring the Board of Governors into disrepute. It is expected that papers and reports shall not be divulged or disclosed to anyone outside of the Board or its secretariat prior to the meeting of the Board or any of its Committees.

3.5. Use of College Facilities

Members of the Board of Governors must not misuse facilities, equipment, stationery, telephony and services, or use them for party political or campaigning activities.

3.6 Appointment to Partner Organisations

3.6.1. You may be appointed, or nominated by your Board of Governors, as a member of another body or organisation. If so, you are bound by the rules of conduct of these organisations and should observe the rules of this Code in carrying out the duties of that body.

3.6.2. Members, who become directors of companies, as nominees of the Board of Governors will assume personal responsibilities under the Companies Act. It is possible that conflicts of interest can arise for such members between the company and the Board of Governors. It is your responsibility to take advice on your responsibilities to the Board of Governors and to the company. This will include questions of declarations of interest.

3.7. Attendance

3.7.1. It is expected that all Board Members will attend at least three Board meetings in any one academic year and participate in at least one sub-committee of the Board, attending a minimum of two meetings of each Committee of which they are member. Prolonged absences require the permission of the Board. The Chair of the Board will normally attend all Board meetings and a Chair of Committee all the meetings for that Committee, except in exceptional circumstances, in any one academic year.

3.8. Performance

3.8.1. Board members are expected to fulfil the responsibilities detailed in this Code of Conduct and to undertake duties that are consistent with the role description, person specifications and other relevant documentation.

3.8.2 Board members will be required to undertake an annual evaluation of their performance with the Chair of the Board and agree relevant development objectives. Any issues will initially be addressed by the Chair of the Board and where those issues are not adequately addressed will be considered under the "De-selection Policy".

3.9 Statement against Bribery

3.9.1. Members of the Board of Governors are committed to the prevention of bribery and all forms of corruption. The Board of Governors operates a zero tolerance approach to bribery committed by any person working at Argyll College UHI, and any person who provides services for or on behalf of Argyll College UHI. Any allegation of bribery by a member of the Board of Governors or employee will be investigated in accordance with relevant processes and procedures and may be reported to the authorities as appropriate.

3.9.2. The Board of Governors has a justified reputation for acting with integrity transparency and honesty. The Board of Governors are committed to the prevention of bribery because we recognise the importance of maintaining the college reputation and the confidence of our students, the public and other partner organisations.

3.9.3. The Board of Governors will not work with other organisations who it considers does not share the Board of Governors commitment to preventing bribery and corruption.

4 Registration of Interests

- 4.1. The following paragraphs of this Code set out the kinds of interests, financial and otherwise that you must register. These are called “Registerable Interests”. You must at all times ensure that these interests are registered, when you are appointed and whenever your circumstances change in such a way as to require change or an addition to your entry in the Board of Governors’ register.
- 4.2. Annually, there will be a reminder to all Board members to consider their current “Registerable Interests” and if circumstances have changed such that the register requires updating.
- 4.3. This Code sets out the categories of interests which you must register. Annex B contains key definitions to help you decide what is required when registering your interests under any particular category. These categories are listed below with explanatory notes designed to help you decide what is required when registering your interests under any particular category.
- 4.4 The test to apply when considering appropriateness of registration in any of the six categories described in the following paragraphs is to ask whether a member of the public acting reasonably might consider any interest could potentially affect your responsibilities to the Board of Governors and to the public, or could influence your actions, speeches or decision-making.

4.5 Category One: Remuneration

- i. You have a registerable interest where you receive remuneration by virtue of being:
 - employed;
 - self-employed;
 - the holder of an office;
 - a director of an undertaking;
 - a partner in a firm; or
 - undertaking a trade, profession or vocation or any other work.

In relation to i. above, the amount of remuneration does not require to be registered.

- iii. If you receive any allowances in relation to membership of any organisation, the fact that you receive such an allowance must be registered.
- iv. When registering employment, you must give the name of the employer, the nature of its business, and the nature of the post held in the organisation.
- vi. When registering self-employment, you must provide the name and details of the nature of the business. When registering an interest in a partnership, you must give the name of the partnership and the nature of its business.
- vii. Where you undertake a trade, profession or vocation, or any other work, you must specify the nature of the work and its regularity. For example, if you write for a newspaper, you must give the name of the publication and the frequency of articles for which you are paid.

- viii. When registering a directorship, you must provide the registered name of the undertaking in which the directorship is held and the nature of its business.

4.6 Category Two: Related Undertakings

- i. You must register any directorships held which are themselves not remunerated but where the company (or other undertaking) in question is a subsidiary of, or a parent of, a company (or other undertaking) in which you hold a remunerated directorship.
- ii. You must register the name of the subsidiary or parent company or other undertaking and the nature of its business, and its relationship to the company or other undertaking in which you are a director and from which you receive remuneration.
- iii. The situations to which the above paragraphs apply are as follows:
 - you are a director of a board of an undertaking and received remuneration - declared under category one; and
 - you are a director of a parent or subsidiary undertaking but do not receive remuneration in that capacity.

4.7 Category Three: Contracts

- i. You have a registerable interest where you (or a firm in which you are a partner), or an undertaking in which you are a director or in which you have shares where the nominal value of these shares is (a) greater than 1% of the issued share capital of the undertaking, or (b) greater than £25,000 have made a contract with the College:
- ii. under which goods or services are to be provided, or works are to be executed; and that has not been fully discharged.
- iii. You must register a description of the contract, including its duration, but excluding the value or consideration of the contract.

4.8 Category Four: Houses, Land and Buildings

You have a registerable interest where you own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of the Board of Governors.

4.9 Category Five: Shares and Securities

You have a registerable interest where you have an interest in shares which constitutes a holding in a company or organisation which may be significant to, of relevance to, or bear upon, the work and operation of the Board of Governors. You are not required to register the value of such interests.

4.10 Category Six: Non-financial Interests

You have a registerable interest if you have non-financial interests which may be significant to, of relevance to, or bear upon, the work and operation of the Board of

Governors. It is important that relevant interests such as membership or holding office in other public bodies, clubs, societies and organisations such as trades unions and voluntary organisations, are registered and described.

5. Declaration of Interests Introduction

- 5.1. The key principles of the Code, especially those in relation to integrity, honesty and openness, are given further practical effect by the requirement for you to declare certain interests *in the proceedings* of the Board of Governors. Together with the rules on registration of interests, this ensures transparency of your interests which might influence, or be thought to influence your actions.
- 5.2. Colleges inevitably have dealings with a wide variety of organisations and individuals and this Code indicates the circumstances in which a business or personal interest must be declared. Public confidence in the Board of Governors and its members depends on it being clearly understood that decisions are taken in the public interest and not for any other reason.
- 5.3. In considering whether to make a declaration in any proceedings, you must consider not only whether you will be influenced but whether anybody else would think that you might be influenced by the interest. You must keep in mind that the test is whether a member of the public, acting reasonably, might think that a particular interest could influence you.
- 5.4. If you feel that, in the context of the matter being considered, your involvement is neither capable of being viewed as more significant than that of an ordinary member of the public, nor likely to be perceived by the public as wrong, you may continue to attend the meeting and participate in both discussion and voting. The relevant interest must however be declared. It is your responsibility to judge whether an interest is sufficiently relevant to particular proceedings to require a declaration and you are advised to err on the side of caution. You may also seek advice from the Standards Commission for Scotland.

5.5 Interests Which Require Declaration

Interests which require to be declared may be financial or non-financial. They may or may not be interests which are registerable under Section 4 of this Code. Most of the interests to be declared will be your personal interests but, on occasion, you will have to consider whether the interests of other persons require you to make a declaration.

5.5.1 Financial Interests

Any financial interest which is registerable must be declared.

5.5.2 Shares and Securities

- i. You may have to declare interests in shares and securities, over and above those registerable under category five of this Code. You may, for example, in the course of employment or self-employment, be engaged in providing professional advice to a person whose interests are a component of the matter to be dealt with by the Board of Governors.

- ii. You have a declarable interest where an interest becomes of direct relevance to a matter before the Board of Governors and you have shares comprised in the share capital of a company or other body and the nominal value of the shares is:

- (i) greater than 1% of the issued share capital of the company or other body; or
- (ii) greater than £25,000.

You are required to declare the name of the company only, not the size or nature of the holding.

5.5.3 Houses, Land and Buildings

Any interest in houses, land and buildings which is registerable under category four of this Code must be declared, as well as any similar interests which arise as a result of specific discussions or operations of the Board of Governors.

5.5.4 Non-Financial Interests

- i. If you have a registered non-financial interest under category six of this Code you have recognised that it is significant. There is therefore a very strong presumption that this interest will be declared where there is any link between a matter which requires your attention as a member of the Board of Governors and the registered interest. Nonfinancial interests include membership or holding office in other public bodies, clubs, societies, trade unions and organisations including voluntary organisations. They become declarable if and when members of the public might reasonably think they could influence your actions, speeches or votes in the decisions of the Board of Governors.
- ii. You may serve on other bodies as a result of express nomination or appointment by the Board of Governors or otherwise by virtue of being a member of the Board of Governors. You must always remember that public interest points towards transparency particularly where there is a possible divergence of interest between different public authorities.
- iii. You will also have other private and personal interests and may serve, or be associated with, bodies, societies and organisations as a result of your private and personal interests and not because of your role as a member of the Board of Governors. In the context of any particular matter you will have to decide whether to declare a non-financial interest. You should declare an interest unless you believe that, in the particular circumstances, the interest is irrelevant or without significance. In reaching a view you should consider whether the interest (whether taking the form of association or the holding of office) would be seen by a member of the public acting reasonably in a different light because it is in the interest of a person who is a member as opposed to the interest of an ordinary member of the public.

5.5.5 Interests of Other Persons

- i. The Code requires only your interests to be registered. You may, however, have to consider whether you should declare an interest in regard to the financial interests of your spouse or cohabitee which are known to you. You may have to give similar consideration to any known non-financial interest of a spouse or cohabitee. You have to ask yourself whether a member of the public acting reasonably would regard these interests as

effectively the same as your interest in the sense of a potential effect on your responsibilities as a member of the Board of Governors.

- ii. The interests known to you, both financial and non-financial, of relatives and close friends may have to be declared. This Code does not attempt the task of defining 'relative' or 'friend'. The key principle is the need for transparency in regard to any interest which might (regardless of the precise description of relationship) be objectively regarded by a member of the public, acting reasonably, as potentially affecting your responsibilities as a member of the Board of Governors.

5.6 Making a Declaration

5.6.1 You must consider at the earliest stage possible whether you have an interest to declare in relation to any matter which is to be considered. You should consider whether agendas for meetings raise any issue of declaration of interest. Your declaration of interest must be made as soon as practicable at a meeting where that interest arises. If you do identify the need for a declaration of interest only when a particular matter is being discussed you must declare the interest as soon as you realise it is necessary.

5.6.2. The oral statement of declaration of interest should identify the item or items of business to which it relates. The statement should begin with the words 'I declare an interest'.

The statement must be sufficiently informative to enable those at the meeting to understand the nature of your interest but need not give a detailed description of the interest.

Effect of Declaration

5.6.3. Declaring a financial interest has the effect of prohibiting any participation in discussion and voting. A declaration of a non-financial interest involves a further exercise of judgement on your part. You must consider the relationship between the interests which have been declared and the particular matter to be considered and relevant individual circumstances surrounding the particular matter.

5.6.4 In the final analysis the conclusive test is whether, in the particular circumstances of the item of business, and knowing all the relevant facts, a member of the public acting reasonably would consider that you might be influenced by the interest in your role as a member of the Board of Governors and that it would therefore be wrong to take part in any discussion or decision making. If you, in conscience, believe that your continued presence would not fall foul of this objective test, then declaring an interest will not preclude your involvement in discussion or voting. If you are not confident about the application of this objective yardstick, you must play no part in discussion and must leave the meeting room until discussion of the particular item is concluded.

5.7 Lobbying And Access to Members of Board of Governors Introduction

5.7.1. In order for the Board of Governors to fulfil its commitment to being open and accessible, it needs to encourage participation by organisations and individuals in the decision making process. Clearly however, the desire to involve the public and other interests groups in the decision-making process must take account of the need to ensure

transparency and probity in the way in which the Board of Governors conducts its business.

- 5.7.2. You will need to be able to consider evidence and arguments advanced by a wide range of organisations and individuals in order to perform your duties effectively. Some of these organisations and individuals will make their views known directly to you rather than to the Board of Governors as a whole. The rules in this Code set out how you should conduct yourself in your contacts with those who would seek to influence you. They are designed to encourage proper interaction between members of Boards of Governors, those they represent and interest groups.

Rules and Guidance

- 5.7.3. You must not, in relation to contact with any person or organisation who lobbies, do anything which contravenes this Code of Conduct or any other relevant rule of the Board of Governors or any statutory provision.
- 5.7.4. You must not, in relation to contact with any person or organisation who lobbies, act in any way which could bring discredit upon the Board of Governors.
- 5.7.5. The public must be assured that no person or organisation will gain better access to, or treatment by, you as a result of employing a company or individual to lobby on a fee basis on their behalf. You must not, therefore offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients compared with that which you accord any other person or organisation who lobbies or approaches you. Nor should those lobbying on a fee basis on behalf of clients be given to understand that preferential access or treatment, compared to that accorded to any other person or organisation, might be forthcoming from another member of the Board of Governors.
- 5.7.6. Before taking any action as a result of being lobbied, you should seek to satisfy yourself about the identity of the person or organisation who is lobbying and the motive for lobbying. You may choose to act in response to a person or organisation lobbying on a fee basis on behalf of clients but it is important that you know the basis on which you are being lobbied in order to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code.
- 5.7.7. You should not accept any paid work:
- (a) Which would involve you lobbying on behalf of any person or organisation or any clients of a person or organisation.
 - (b) To provide services as a strategist, adviser or consultant, for example, advising on how to influence the Board of Governors and its members. This does not prohibit you from being remunerated for activity which may arise because of, or relate to, membership of the Board of Governors, such as journalism or broadcasting, or involvement in representative or presentational work, such as participation in delegations, conferences or other events.
- 5.7.8. If you have concerns about the approach or methods used by any person or organisation in their contacts with you, you must seek the guidance of the Board of Governors.

ANNEX A: SANCTIONS AVAILABLE TO THE BOARD OF ARGYLL COLLEGE UHI FOR BREACH OF THE CODE

Sanctions

- (a) Censure – the Board may reprimand the member but otherwise take no action against them;
- (b) Disqualification – removing the member from membership of the Board of Argyll College UHI and membership of any committees pertaining to the Board for a period of no more than five years.

Process

- (a) On being made aware of any breach of the Code, the Chair of the Board will convene a meeting of the Nominations Committee. If the member against whom the allegations are made is a member of the Nominations Committee, then he or she will temporarily relinquish membership of that Committee. If the allegations are against the Chair of the Board, a Vice Chair will convene the meeting.
- (b) The College Secretary will gather all available evidence.
- (c) At the Nominations Committee meeting, the evidence will be presented and the director against whom the allegations are made will be invited to defend him or herself.
- (d) The Nominations Committee will recommend a course of action to the full Board of Governors, consisting of either (1) no further action (2) reprimand or (3) disqualification for a period of five years.

ANNEX B: DEFINITIONS

- “Remuneration” includes any salary, wage, share of profits, fee, expenses, other monetary benefit or benefit in kind. This would include, for example, the provision of a company car or travelling expenses by an employer.
- “Undertaking” means: a body corporate or partnership; or an unincorporated association carrying on a trade or business, with or without a view to a profit. “Related Undertaking” is a parent or subsidiary company of a principal undertaking of which you are also a director. You will receive remuneration for the principal undertaking though you will not receive remuneration as director of the related undertaking.
- “Parent Undertaking” is an undertaking in relation to another undertaking, a subsidiary undertaking, if a) it holds a majority of the voting rights in the undertaking; or b) it is a member of the undertaking and has the right to appoint or remove a majority of its board of directors; or c) it has the right to exercise a dominant influence over the

undertaking (i) by virtue of provisions contained in the undertaking's memorandum or articles or (ii) by virtue of a control contract; or (d) it is a councillor of the undertaking and controls alone, pursuant to an agreement with other shareholders or councillors, a majority of the voting rights in the undertaking.

- "Group of companies" has the same meaning as "group" in section 474(1) of the Companies Act 2006. A "group", within section 474(1) of the Companies Act 2006, means a parent undertaking and its subsidiary undertakings.
- "A person" means a single individual or legal person and includes a group of companies.
- "Any person" includes individuals, incorporated and unincorporated bodies, trade unions, charities and voluntary organisations.
- "Spouse" does not include a former spouse or a spouse who is living separately and apart from you.
- "Cohabitee" includes a person, whether of the opposite sex or not, who is living with you in a relationship similar to that of a husband or wife.