

DISCIPLINARY PROCESS FOR BOARD AND COMMITTEE MEMBERS

This procedure deals with breaches of good governance. This includes failure to adhere to the Board and Committee Member Code of Conduct.

Board and Committee Members bring a variety of skills and opinions to the Society. Challenge is a positive thing and part of the role of Board and Committee Members is to hold the Executive Management Team and the Chair of the Board to account. Individuals may have differing views on issues and this is recognised as a positive and healthy contribution to the decision making process. Disagreement and challenge when issues are being discussed are not grounds for action when conducted in an appropriate manner.

A. Serious Breaches

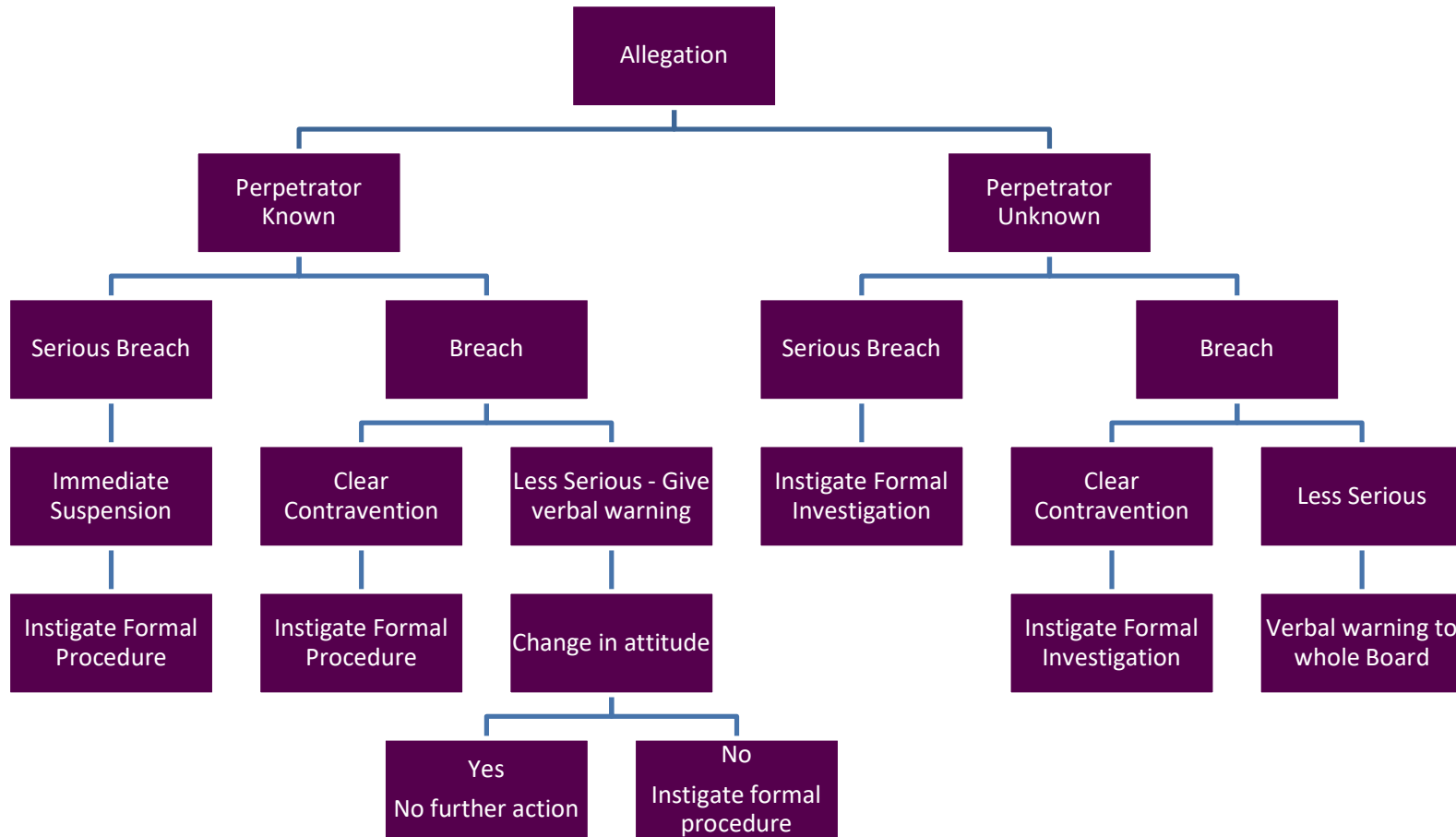
There are circumstances where immediate action is required to protect the integrity of the Board and its Committees and the reputation of the Society. Board and Committee Members carry special duties of accountability and, as a consequence, their conduct and personal integrity must be beyond reproach. For this reason, any Board or Committee Member who:

- Becomes subject to legal proceedings brought against him/her by the Society;
- Brings legal proceedings against the Society (excluding personal injury claims);
or
- Becomes subject to any criminal or civil proceedings, the nature of which could compromise his/her position as a Board

will immediately, without prejudice of any outcome, become suspended from membership of the Board or Committee. This suspension will be carried out by the Chair of the Board in consultation with the Chief Executive, unless the respective Chair is the Board Member in question and in which instance the suspension will be carried out by the Deputy Chair in consultation with the Chief Executive.

B. Immediate Actions

Any allegation of Board or Committee Member misconduct will be reported in writing to the Chair of the Board who will, in consultation with the Chief Executive, instigate an initial investigation into the allegation. If the complaint relates to the Chair of the Board, the report will be made to the Chair of the Audit Committee. The following decision process will be followed:



C. The Formal Procedure:

1. If the Chair and Chief Executive are satisfied that a Board or Committee Member has a case to answer, then the Chair will request that the Secretary instigates the formal procedure and informs the Board or Committee Member that an allegation has been made.
2. The investigation will usually require an interview of the Board or Committee Member subject to the formal procedure and any other relevant witnesses. Who will be involved in the investigation will be determined on a case by case basis and is dependent on the circumstances of the alleged breach of the Code of Conduct.
3. The Secretary will then convene a meeting of the Disciplinary Panel and advise the Board or Committee Member of the date and time of the meeting.
4. The Disciplinary Panel will consist of the Deputy Chair, two other Non-executive Directors and the Secretary as advisor to the Panel. The Chair shall not participate in the Disciplinary Panel.
5. No disciplinary action will be taken against a Board or Committee Member until the case has been fully investigated and the Board or Committee Member has had a chance to answer the case.
6. Prior to any hearing, the Board or Committee Member will be advised that he/she has the right to be heard and, if he/she chooses, to be represented.
7. The Legal and Governance Team Manager will prepare the case for presentation to the Disciplinary Panel.
8. The meeting will be convened to hear and consider the allegations which will be presented by the Legal and Governance Team Manager.
9. All papers to be referred to at the hearing, together with the names of any witnesses, should be submitted to the Secretary by both the Board or Committee Member and the Legal and Governance Team Manager 10 working days before the date of the hearing (unless a shorter period has been agreed).
10. Copies of all papers will be distributed by the Secretary to all parties involved 5 working days prior to the hearing taking place (unless a shorter period has been agreed).
11. The Panel will hear the full facts of the allegations made against the Board or Committee Member and allow the Board or Committee Member to state his/her case.
12. The Legal and Governance Team Manager and the Board or Committee Member may call witnesses to give evidence. These witnesses can include the complainant.
13. The Secretary will act as Clerk to the Panel.

D. The Hearing

At the Hearing:

1. The allegations against the Board or Committee Member will be presented by the Legal and Governance Team Manager (including the evidence of witnesses if appropriate);
2. The Board or Committee Member, or their representative, will be allowed to question the Legal and Governance Team Manager or witnesses;
3. The Panel Members may question the Legal and Governance Team Manager or witnesses;
4. The Board or Committee Member, or their representative, will present his/her case calling any witnesses;
5. The Legal and Governance Team Manager may question the Board or Committee Member and /or witnesses;
6. The Panel Members may question the Board or Committee Member and/or witnesses;
7. The Legal and Governance Team Manager and the Board or Committee Member, or their representative, will make final submissions.
8. The Panel will then retire to consider the matter and will present its decision.

E. Findings

Where, in the opinion of the Disciplinary Panel, the allegation is proven and having regard to the seriousness of the misconduct and any previously proved misconduct, the following may apply:

1. Require a Board or Committee Member to issue a formal and/or public apology;
2. Suspend a Board or Committee Member for a fixed or indeterminate period;
3. Remove some or all of a Board or Committee Member's special or additional responsibilities (above and beyond those of a normal Board or Committee Member) such as Chair of Committee and/or Deputy Chair
4. First written warning – for instances of serious misconduct or repetition of minor misconduct. A first written warning will remain on the Board or Committee Member's record for a period of 12 months;
5. Final written warning – for instances of misconduct following a first written warning. A final written warning will remain on the Board or Committee Member's record for their full term of office.

Where, in the opinion of the Disciplinary Panel, the allegation is proven and the Disciplinary Panel decides that the appropriate action should be removal from the Board or Committee then the case, must be referred to the Representative Body.

F. Notification of Disciplinary Decisions

The Disciplinary Panel will instruct the Secretary to notify the Board or Committee Member of its decision/recommendation within three days of the Panel meeting. The notification will include details of the right of appeal, which will be to the full Board.

G. Appeals

A Board or Committee Member has the right to appeal a decision of the Disciplinary Panel to be heard by the Internal Auditors.

Any appeal will be in writing indicating the initial grounds for the appeal and lodged with the Secretary within ten working days of the decision of the Disciplinary Panel. The appeal will not be able to bring new areas of concern to the complaint and will deal with the manner in which the process has been followed. The Secretary will fix a date for the appeal, and convene a meeting with the Society's Internal Auditors for the purpose of the appeal.

There is no further right of appeal.