



## **Durham Aged Mineworkers' Homes Association**

# **STANDING ORDERS**

**Edition 28**

**Approved by:** Board

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## **PREFACE**

These Standing Orders have been approved by the Board of Durham Aged Mineworkers' Homes Association ("The Association") and any revisions to the policies and procedures contained within it will require their approval, unless taken under the appropriate delegated authority. The policies and procedures set out in this document are expected to be followed at all times, by all members and staff across the Association including its committees.

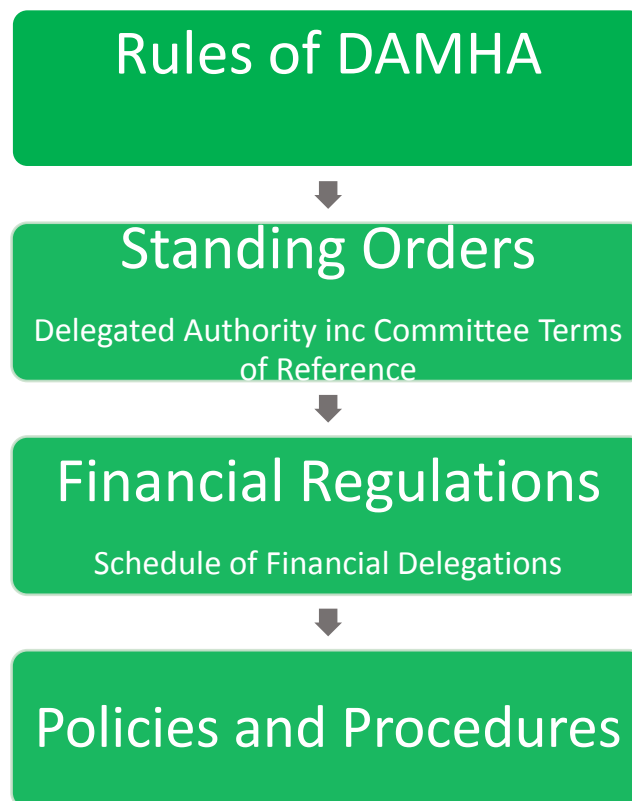
The Board of the Association is accountable, ultimately, for the activities and administration of all parts of the organisation. To that end, the Board has adopted the National Housing Federation's Code of Governance, 2015 and the National Housing Federation's Code of Conduct, 2012.

These Standing Orders are effective from 13<sup>th</sup> February, 2020 and will be reviewed in 2023 unless a review is required before due to a change in structure.

## PART A: INTRODUCTION & STRUCTURE

### 1.0 Introduction

- 1.1 These Standing Orders draw together responsibilities and authorities for the operation of the Association; the powers to be exercised by the Board, and the powers that have been delegated to committees and officers. The delegatory framework is illustrated below:



- 1.2 The Board is responsible for approving these Standing Orders
- 1.3 All employees and members will have access to this document and are expected to observe the regulations, policies and procedures stated therein. Any delegation to them may be explicit, or implicit in the nature of the employee's title, or job profile.
- 1.4 A review of Standing Orders shall be undertaken periodically by the board. This will be undertaken, as a minimum, every three years.
- 1.5 If any conflict arises between these Standing Orders and the Rules, then the Rules shall prevail.
- 1.7 There are separate documents setting out operational procedures. Procedural guides should be read in conjunction with these Standing Orders where necessary. If any conflict arises between these Standing Orders and procedural guides, then these Standing Orders shall prevail.

## **2.0 Legal Constitution**

2.1 The Association is an Unincorporated Association administered by Rules. It is a Registered Charity (No. 222673), Registered Housing Provider (No. A3213) and a Member of the National Association of Almshouses (No. M1658).

## **3.0 Committee structure**

3.1 The Association has established committees to which it delegates certain functions and responsibilities however the Board retains full control of decision making for the Association.

3.2 There are currently two committees of the Board which has agreed their Terms of Reference (see **Part E**):

- Audit & Risk Committee
- Nominations & Remuneration Committee

3.3 The governance structure allows for members to report Committee activity to the Board, whilst feeding strategic Board decisions back to the Committee.

## **PART B: THE BOARD & BOARD MEMBERSHIP**

### **1.0 Board of Trustees**

- 1.1 The Board has responsibility for the direction of the Association's affairs and is constituted in accordance with the terms of the trust deed.
- 1.2 It should retain ultimate control over the Association's business and ensure that its financial and legal responsibilities are fulfilled. In doing so, members should ensure that they have sufficient access to relevant information and are sufficiently informed regarding the affairs of the Association to make properly informed decisions.
- 1.3 The Membership of the Board of Trustees including its number and the duration of service shall be in compliance with the Association's Board Membership Policy.
- 1.4 The appointment and re-appointment processes shall take account of individual skills, performance and the needs of the Board and the Association at that time; as well as the equality characteristics of the current Members of the Board and the need to ensure diversity.
- 1.5 A trustee who has left the Board after the maximum tenure of nine years cannot be reappointed for at least three years.
- 1.6 Any member of the Board may resign their office by giving to the Board one month's notice in writing to that effect. Any Board member may also be required to vacate their office if they:
  - a) become financially indebted to the Association,
  - b) are absent from meetings for a period of twelve months without the permission of the chair,
  - c) take any action which contravenes the standards of conduct and probity in the National Housing Federation Code of Conduct, or
  - d) if any Charity Commission disqualification reasons apply.
- 1.7 In addition, the Board may pass a resolution removing a Board Member, Committee Member, or Co-optee where they believe it is in the best interests of the Association. Such circumstances include, but are not limited to:
  - a) They no longer meet the Fit and Proper Persons Test (as per HMRC guidelines); or
  - b) They engage in improper behaviour at board, committee meetings or other corporate events; or
  - c) They fail to declare appropriate interests; or
  - d) They fail to abide by the Rules and corporate policies of the organisation including, but not limited to standards of behaviour, equality and diversity, and health and safety.
- 1.8 Management of the Association is delegated to the Chief Executive and the Senior Management Team.



- 1.9 All members of the Board have equal duties and responsibilities, with the exception of the Life Property Trustees who have additional signatory powers in relation to deeds delegated to them.
- 1.10 An internal review of the effectiveness of the Board and individual appraisal of Board Trustees will be carried out annually.
- 1.11 The Board will appoint an external advisor to carry out a review of governance arrangements and to support the Board appraisal process every three years.

## **2.0 Essential Functions of the Board**

- 2.1 The essential functions of the Board are listed below. The Board operates in accordance with the Association's Rules.
- a) Define and ensure compliance with the values and objectives of the Association.
  - b) Set a positive culture with strong customer focus.
  - c) Establish policies and plans to achieve those objectives.
  - d) Approve each year's budget and accounts prior to publication.
  - e) Establish and oversee a framework of delegation and systems of control.
  - f) Agree policies and make decisions on all matters that might create significant financial or other risk to the Association, or which raise issues of principle.
  - g) Monitor the Association's performance in relation to these plans, budgets, controls and decisions.
  - h) Ensure that the Association operates effectively, efficiently and economically.
  - i) Appoint (and, if necessary, dismiss) the Chief Executive and be represented in the appointment of senior managers.
  - j) Provide oversight, direction and constructive challenge to the Association's Chief Executive and the Senior Management Team.
  - k) Satisfy itself that the Association's affairs are conducted lawfully and in accordance with generally accepted standards of performance and propriety.
  - l) Establish and oversee a risk management framework in order to safeguard the assets of the Association
  - m) Carry out an annual risk appraisal and review exercise.
  - n) Receive minutes from committees for consideration and approval of any decisions as necessary.
  - o) On an annual basis appraise the effectiveness with which it conducts its business.
  - p) Assess how the Association follows the requirements of the NHF Code "Excellence in Governance"
  - q) Establish and monitor a mechanism for communicating and receiving feedback from the Association's stakeholders and shareholders.
  - r) Establish a strong working relationship between the board, Chief Executive and other senior managers.
  - s) Follow the Association's constitution in appointing (and if necessary, removing) the chair of the board
  - t) Establish a code of conduct and expected behaviour for the board

### **3.0 Matters Reserved for Decision by Board**

- 3.1 The Board is responsible for the overall control of the affairs of the organization.
- 3.2 The Board delegates decision making powers to Committees and takes and acts on their recommendations.
- 3.3 All matters, which are not specifically delegated to a Committee, are reserved to the Board. Matters reserved to the Board (including recommendations from Committees) include:
- a) Approval of appointment/dismissal of auditors (internal and external).
  - b) Appoint a Chair and Vice Chair.
  - c) Appointment or dismissal of Chief Executive following agreed procedures, and approve his or her salary, benefits and terms of employment.
  - d) Approval of business plan and budget parameters and major capital investments.
  - e) Extension of activities into new business or geographical areas.
  - f) Any decision to cease all or any material part of the business.
  - g) Appointment or removal of any Board Member or Executive Officer of the Board.
  - h) Creation and implementation of corporate strategy.
  - i) Changes to corporate structure, including the setting up of subsidiaries, and the acquisition or disposal of interests (including shares) in any company.
  - j) Approval of resolutions to be put forward by the Board at a general meeting.
  - k) Changes to the structure, size and composition of the Board;
  - l) Ratify and approve any decisions made under delegated authority by a Committee or Panel which requires the consent or notification of the Board.
  - m) Approval of key corporate policies, plans or strategies.
  - n) Approval of the thirty year financial business plan, including the Capital Investment Programme.
  - o) Approve the annual accounts and budgets, including the Capital Investment Programme.
  - p) Determine and agree the responses to Government, statutory, legal and regulatory bodies and agencies.
  - q) Consider any decisions taken under the 'arrangements for taking urgent decisions'.
  - r) Changes to this schedule of matters reserved for Board decision.

### **4.0 Life Property Trustees**

- 4.1 The Board will nominate in accordance with its Rules, up to half of its Membership and in any case a minimum of four Life Property Trustees in whom property is vested and who are authorized to sign deeds on behalf of the Association.
- 4.2 The Board may at any time remove any Life Property Trustee under the terms outlined in **paragraph 1.6** above and appoint another person to be a Life Property Trustee in their place.

4.3 Any vacancy in the office of Life Property Trustee shall be filled through appointment by the Board by election of a simple majority.

4.4 The role of Life Property Trustee will cease should the function no longer be required under the Association's Rules and office holders will revert to the status of Board Member.

## **5.0 Recruitment**

5.1 Recruitment must be open and transparent, based on merit with objective selection and assessment techniques, and will be undertaken in line with the relevant policies. There should be rigorous individual and collective appraisal processes to identify skills gaps with effective succession planning arrangements maintained in a written policy on recruitment in order to maintain a representative and effective board membership.

5.2 The main provisions relating to applicants for Board Membership and for Co-optees to the Board or its Committees, in addition to those set out at **paragraph 1.6** above, are that they:

- Must not be an employee, family member, contractor or consultant of the Association or have been within the past 12 months.
- Must not have been a Board Member or Co-optee in the last three years.
- Must demonstrate a commitment to the values and objectives of the Association and its core policies including, but not limited to, equality and diversity, standards of behaviour, health and safety and openness and accountability.

5.3. The Board has an absolute discretion to grant or refuse applications for board membership or co-option.

## **6.0 Terms of Office**

6.1 The Association has adopted the NHF's Code of Governance 2015. Members can serve a maximum of nine years made up of two three-year terms of office (maximum 6 years) with up to three one-year extensions.

6.2 Board Membership is subject to bi-ennial appraisal and a formal review at the end of each term. Board membership ceases at the end of each fixed term and the renewal of membership is at the absolute discretion of the Board. Renewal will be in line with the requirements of the Rules, Standing Orders and the Board's agreed Recruitment and Succession Policy and will be based on an analysis of the skills and experience required to deliver the Corporate Strategy and maintain good and effective governance.

6.3 Members can express their desire to retire to the Chair at any point in the year giving at least one month's clear notice.

6.4 Co-optees are subject to the maximum tenure rules with all Co-optees being subject to an annual review and appointment process. The date of a Co-optee's first appointment will begin their term of office. Time served as a Co-optee counts towards

the maximum board membership tenure.

## **7.0 Removal or Disqualification**

- 7.1 Disqualification or removal of a Board Member or Co-optee may occur in the circumstances set out in paragraph 1.6 above and will be undertaken in line with the Rules.
- 7.2 There may be occasions where an investigation into the conduct of a member is required. In these circumstances, a member may be suspended by the Chair, and similarly the Chair be suspended by the Audit Committee Chair with immediate effect and until such time as investigations are concluded, and the individual re-instated or removed.
- 7.3 Where removal is sought the Chief Executive will support the Board to seek relevant legal advice to meet the required outcome and ensure due process is followed.

## **8.0 Co-optees to the Board and its Committees**

- 8.1 The Board may co-opt up to five suitable persons to the board and/or its committees from time to time. A Board Co-optee may act in all respects as a Board Member, but they cannot take part in the deliberations nor vote on the election or appointment of Officers nor any matter directly affecting Shareholders. Officers of the Board are the Board Members, Chair and Company Secretary.
- 8.2 In line with their terms of reference, a committee may appoint a co-optee to support its role. The committee will normally be responsible for the selection process with any appointment being subject to endorsement by the Board. Committee Co-optees count towards the maximum number of co-optees (five) allowed.

## **PART C: ARRANGMENT FOR BOARD MEETINGS**

### **1.0 Quorum**

- 1.1 The quorum for the Board is 50% of the Board members.
- 1.2 The quorum for Committees is set by the Board and included in their Terms of Reference.
- 1.3 Subject to the approval of the Board or Committee Chair, meetings can be held through any medium that permits those attending to hear and comment on the proceedings.

### **2.0 Frequency of Meetings**

- 2.1 The Boards shall meet at a frequency, time and place determined by themselves subject to the following conditions:
  - a) The Board shall meet no less than five times per year.
  - b) At least once per year a strategy/planning meeting will be held for all Board members to contribute to the development of the Association's Strategy.
- 2.2 In practical terms, this means that the Board, must meet at least six times a year.
- 2.3 The minimum frequency of Committee Meetings is set by the Board and included in their Terms of Reference.
- 2.4 The Chief Executive shall call a meeting at any time at the request of the Chair or five members of the board.
- 2.5 At least seven days' notice must be given for Board meetings unless the Urgency Procedure is invoked.

### **3.0 Board Documentation**

#### *3.1 Agendas*

- 3.1.1 The order of business at an ordinary Board meeting is:
  - a) Apologies for absence.
  - b) Declarations of interest.
  - c) To agree the minutes of the previous meeting and consider any matters arising from those minutes which are not on the agenda.
  - d) A review of actions and decision agreed in previous meetings
  - e) Risk – any risks or emerging risks not related to a specific agenda item.
  - f) A summary report by the Chair of each Committee setting out the main discussion points of each meeting that preceded the current Board meeting.

- g) The minutes of any other meetings (if appropriate), for example, a Committee or Task & Finish Group operating under delegated authority, relevant to the meeting.
- 3.1.2 An item can be added to the agenda of a meeting at the request of the Chair, Chief Executive, Company Secretary or two board members.
  - 3.1.3 The meeting will be conducted in accordance with the agenda. Unspecified business shall not be considered at the meeting without the Chair's prior approval and agreement. The Chair or person presiding may vary the order of business with the consent of the majority of members present.
  - 3.1.4 The Board will consider board and committee membership and Chairs, and the position of the Chair and Vice Chair on the occasion of the first meeting after the AGM.
- 3.2 *Reports*
- 3.2.1 Whenever practical, agenda items requiring decision should be supported by a written report. Reports can be provided electronically or in hard copy.
  - 3.2.2 Written reports should be sent out so that board members have them at least five working days before a meeting. Items should not be tabled at Board or Committee meetings unless genuinely urgent, and in such case only with the prior agreement of the Chair.
  - 3.2.3 Risk Management is a standing agenda item at all Board meetings, and risk is considered in all board reports. The cover sheet of every agenda item has a consideration of risk, by asking authors to plot the level of risk associated with the decision on the front sheet.
  - 3.2.4 Reports or papers (and the subsequent minutes) deemed as confidential or sensitive will be clearly identified as such with a coversheet detailing the reason for their confidential status. The contents of such papers must not be disclosed or shared with any persons outside of the relevant Board meeting.
  - 3.2.5 Training reports are provided to members from time to time and the intent of these is as a specific training purpose and they are not intended to be approved. These may take the form of Chief Executive's report or a formal briefing paper and are not to be included in the formal agenda, although they may relate to the business of the meeting.
- 3.3 *Minutes*
- 3.3.1 Draft minutes will be sent to the relevant Chair within seven working days of any Board or Committee meeting for information. Once agreed with the Chair, they will be forwarded to the full Board.
  - 3.3.2 The minutes of any General Meeting or Board Meeting are to be confirmed at each

subsequent Meeting by an affirmative resolution of members present. The minutes of any Committee will be presented to a subsequent Board meeting for notification or ratification.

3.3.3 The approved minutes are to be signed by the Chair of the subsequent meeting, and dedicated sheet is provided in the retained pack for this purpose.

3.3.4 The Chief Executive is to arrange for the keeping and safe custody of minutes so that their correctness can be easily verified.

#### **4.0 Conduct at meetings**

##### *4.1 Attendance*

4.1.1 Every Member on attending a Board or Committee meeting shall have his or her name recorded and attendance will be reported to the Board periodically to monitor attendance.

4.1.2 Chief Executive and senior managers will attend Board meetings and the Committees they serve.

4.1.3 Except in exceptional circumstances, no meeting will take place without a senior member of staff in attendance.

##### *4.2 Rules of Debate*

4.2.1 A member when speaking shall address the Chair. If two or more members wish to speak, the Chair shall decide the order.

- a) A member shall restrict themselves to the matter under debate, a personal explanation, or a point of order.
- b) A point of order shall relate only to an alleged breach of a Standing Order and the way in which it is said to have been broken.
- c) The Chair's ruling on a point of order or on the admissibility of a personal explanation shall not be open to discussion.
- d) Where a member is proposing to raise a 'major' issue or an issue of sensitivity the member will be expected to notify the Chair in advance of the meeting.
- e) The Chairs of Committees (if present) will be expected to advise the meeting, where necessary on issues relating to or arising from their Committee, though this may also be done in writing as an addendum to relevant minutes or a separate report.

##### *4.3 Voting*

4.3.1 Each Member has a single vote. Proxies cannot be appointed for Board or Committee Meetings.

4.3.2 Any decisions will be made by a majority vote unless otherwise stated in the Rules of

the Association.

- 4.3.3 Specialists may be co-opted to provide particular expertise as and when required, to be approved by the board.

#### 4.4 *Conduct at Meetings*

- 4.4.1 The role of officers at Board and Committee meetings is to support the members and assist in the decision-making by presenting papers, providing information and advice and being available to respond to queries. Officers are under a responsibility to draw to the Board or Committee's attention material matters or factual errors.
- 4.4.2 Introductory remarks to the papers by officers (or by a Member who may be leading on a topic) should be brief, as it is assumed that all members will have read the papers before the meeting.
- 4.4.3 Members may, at their discretion and request seek the presence and advice of an external professional whenever they wish, and this can be facilitated by the Chief Executive.
- 4.4.4 The Chair will at the end of each item, remind the meeting of the decision that has been agreed.
- 4.4.5 Should any Member persistently disregard the ruling of the Chair or engage in irregular behaviour which obstructs business, the Chair (or any Members) may press a Conduct Motion to be put, if seconded, without further discussion.
- 4.4.6 If the same Member continues their misconduct after a Conduct Motion has been carried the Chair shall:-
- a) Either put a motion that the member leave the meeting - which can be determined without seconding or discussion; or
  - b) Adjourn the meeting according to his/her discretion.
  - c) In the event of a general disturbance which in the opinion of the Chair renders conduct of business impossible, he/she will adjourn the meeting for a necessary period.
- 4.4.7 Meetings should be polite and business-like. Members should not swear or make racist, sexist or any other potentially offensive comments or engage in any disruptive behaviour.
- 4.4.8 Abuse of staff or members will not be tolerated. A member shall speak only when invited to by the Chair, unless a general invitation to speak exists.

## **5.0 Probity and Interests**



## 5.1 *Board Member's Interests*

5.1.1 No Board member can have any financial interest in any contract or other transaction with the Association unless it is expressly permitted by the Rules or would not breach the Regulatory Code, Code of Governance, Code of Conduct, or S122 of the Housing and Regeneration Act 2008.

5.1.2 Every Board member shall ensure that the Chair has, at all times, an up to date list of:

a) All other bodies in which they have an interest as:

- A director or officer
- A member of a firm
- An official or elected member of any statutory body
- Owner or controller of more than 2% of a public quoted companies shares or 10% of any other company

b) Any property owned or managed by the Association which they occupy.

c) Any other significant or material interest.

5.1.3 All interests must be declared before the matter is discussed at a board or committee meeting.

5.1.4 Unless expressly permitted by the Rules they shall not remain present (unless at the request of the board or committee) and they shall not have a vote on the matter.

5.1.5 Where a conflict of interest is fundamental or ongoing, the Board must determine whether it is appropriate for the trustee concerned to remain a member of the board.

5.1.6 Any question of a members' right to participate in the meeting will be decided by that meeting's Chair whose ruling will be final and conclusive. In the case of a Chair, the decision will rest with the other members of the meeting.

5.1.6 Remuneration of Board members, Co-optees and Independents for their service as Board members is not allowed by the Rules.

## 5.2 *Code of Conduct & Probity Framework*

5.2.1 The Association has adopted the NHF Code of Conduct and all Board Members and staff are expected to be aware of and comply with the policy.

## 5.3 *Information sharing protocols*

5.3.1 In order for the Board to function efficiently and effectively, they must be able to obtain the necessary detailed level of information they require in order to discharge their duties.

5.3.2 In most cases, this information will be contained in Board reports and papers, prepared by staff and/or external consultants. Occasionally, members may seek

access to additional information.

- 5.3.3 The purpose of this Protocol is to address those occasions and to set out a framework for dealing with such requests from Members.
- 5.3.4 Members undertake to treat as confidential all information relating to the business, policy, management, future plans, clients, tenants and staffing to which as a matter of course they will have access.
- 5.3.5 Members undertake neither to part with possession of nor to reproduce any of the Association's correspondence, documentation or internal memoranda for the benefit of third parties without the express permission of the Chair or Chief Executive.
- 5.3.6 Any additional information obtained by members under this Protocol must be handled in accordance with the relevant policies.
- 5.3.7 Also because of the provisions of the GDPR Act, members may not be provided with "sensitive personal data" held on tenants or staff (whether existing or former), without the consent of these individuals (data subjects) themselves.
- 5.3.8 Members are free to request information from a senior manager and depending upon its availability, the information should be provided within 48 hours of the request. However, where the senior manager is uncertain as to whether the information can be released or the reason for the request has not been explained, they will refer the query to the Chief Executive who will deal with the request and who will inform the Member concerned if there is likely to be a delay in responding and the reason why.
- 5.3.9 Depending upon the circumstances the information may be provided electronically, in writing or made available for inspection at the office.
- 5.3.10 Only the Chief Executive, may turn down a request from a Member for information, providing the reason(s) for so doing.
- 5.3.11 Where a Member's request for information has been turned down under Clause 6.10 above, they may request that the Chief Executive's decision be reconsidered by the Chair of the Board. The decision of the Chair shall be final.
- 5.3.12 Confidential information as described above remains the property of the Association at all times and it reserves the right to request the return of all confidential information which former members and staff may have in their possession.

## **PART D: THE ROLE OF THE CHAIR, COMMITTEE CHAIRS AND MEMBERS**

### **1.0 The Chair of the Board**

#### *1.1 Role*

1.1.1 The Chair, with the Chief Executive, is the public face of the Association and is responsible for the leadership of the Board and for giving direction, clarity and impetus to its strategies and policies.

#### *1.2 Responsibilities of the Chair*

1.2.1 The Association has adopted the NHF Code of Governance (2015), which includes a guide to the responsibilities of the Chair (Section E). The Chair should familiarise themselves with the wider remit contained in the Code.

1.2.2 In carrying out these duties, the Chair should always remember that he or she is acting on behalf of the Board and the Association.

1.2.3 The Chair should seek the advice of other Board Members, or the Chief Executive, as necessary. In particular circumstances, the Chair may need to seek independent advice. This normally should be done with the agreement of the Board.

1.2.4 The responsibilities of the Chair include the following items. This is not an exhaustive list and may be added to by the Board, at any time:

- a) Ensuring efficient conduct at meetings.
- b) Ensuring that all Board Members, co-optees and Independents receive an appropriate role profiles.
- c) Providing all members with the opportunity to voice their opinions and ensuring they adhere to appropriate standards of conduct.
- d) Establishing a constructive working relationship with, and providing support for, the Chief Executive and Senior Management Team.
- e) Ensuring that the Board delegates sufficient authority to its Committees, the Chair, the Chief Executive and others, in order to allow its business to be conducted effectively.
- f) Ensuring the Board receives professional advice when required, either from senior staff or external sources.
- g) Ensuring that the Association follows the recommendation of the Code of Governance the board chooses to adopt.
- h) Representing the Association as appropriate.
- i) Taking decisions delegated to the Chair with the advice of the Chief Executive.
- j) Ensuring that the annual performance appraisal of the Chief Executive and determination of the remuneration of the Chief Executive are properly carried out.
- k) That, when necessary, the Chief Executive is replaced in a timely and orderly fashion.
- l) Ensuring the performance of the Chair, individual members and the Board as a whole is evaluated regularly.

- m) The implementation of a succession plan for future Board Membership.
- n) That the Board agrees the role of the Vice-Chair where there is one.
- o) Promotion of the vision and values both internally and externally.
- p) To act as a role model for good governance practices and behaviour.

### *1.3 Appointment/Removal of the Chair*

1.3.1 A Chair is elected for a term of three years. A maximum of two three years terms may be served. At the end of each three year period (or earlier if a Chair steps down before completion of a full term) a formal selection process should be undertaken. The Chair is subject to an annual appraisal undertaken by the N&R Committee and reported to Board.

1.3.2 A co-opted member of the board cannot be eligible for election as Chair.

### *1.4 Vice Chair*

1.4.1 The Vice Chair's role is firstly to assist the Chair in carrying out his/her duties as agreed with them. Secondly, it is to assume the role and responsibility of the Chair in the formal absence of the Chair.

## **2.0 Chair of Committees**

### *2.1 Role of the Chair of a Committee*

2.1.1 The Chair's role is to lead the committee in its responsibilities ensuring a focus on the terms of reference and that issues that may have a significant impact on it, or the Association, are reported in a timely matter to the Board.

### *2.2 Responsibilities of the Chair of a Committee*

2.2.1 In carrying out these duties, the Chair of a Committee should always remember that he or she is acting on behalf of the Board and the Association.

2.2.2 The Chair should seek the advice of other members, or the Chief Executive, as necessary. In particular circumstances, the Chair may need to seek independent advice. This normally should be done with the agreement of the committee.

2.2.3 The responsibilities of the Committee Chair include the following items. This is not an exhaustive list and may be added to by the Board, at any time:

- a) Ensuring efficient conduct at meetings.
- b) Effective liaison with the Board, the Board Chair and the Chief Executive.
- c) Ensuring that key decisions and issues are reported to the Board.
- d) Providing all members with the opportunity to voice their opinions and ensuring they adhere to appropriate standards of conduct.
- e) Establishing a constructive working relationship with, and providing support for the lead officer of the committee.

- f) Ensuring that sufficient authority is delegated to the lead officer and others, in order to allow its business to be conducted effectively.
- g) Ensuring the committee receives professional advice when required, either from senior staff or external sources.
- h) To give advice and assistance to the Board Chair when requested.
- i) To make a summary report of the discussions and decisions reached to the Board at its next meeting.
- j) Ensuring that the Code of Governance and the Code of Conduct are applied.
- k) Representing THE ASSOCIATION as appropriate.
- l) Taking decisions delegated to the Chair with the advice of the Chief Executive and lead officer.
- m) Assessing annually the overall effectiveness of the Committee.
- n) Promotion of the vision and values both internally and externally.
- o) To act as a role model for good governance practices and behaviours.

### 2.3 *Appointment/Removal of the Committee Chair*

2.3.1 A Chair is appointed on an annual basis by the Board and may be removed at any time by the Board.

2.3.2 A co-opted member of the board cannot be eligible for election as Chair.

### 2.4 *Vice Chair*

2.4.1 Vice Chairs are not formally appointed. In the absence of the Chair, the members of the committee will select a member to Chair that specific meeting.

## **3.0 Statement of Members Responsibilities**

3.1 This section should be read in conjunction with the NHF Code of Governance, the Code of Conduct and associated policies and procedures.

- a) Members must contribute to and, on a collective basis share, responsibility for and abide by the decisions of the Board, and be ready to assure themselves to certify compliance with all relevant law, regulatory requirements, and the adopted Code of Governance.
- b) Members have responsibility for ensuring the management control, accountability and good conduct of the board and any committees on which they serve.
- c) A member should be ready to challenge information that is presented to them in a constructive and meaningful way, seeking to ensure that best resolution for the entity they serve.

3.2 A summary of the role of the Board Member, is detailed below:

- a) To establish and ensure compliance with policies, covering all legal, regulatory and good practice requirements.
- b) To set the annual and longer term objectives of the Association and to determine its vision, mission and values.

- c) To enable and oversee the achievement of those objectives through appropriate delegated authorities, operational procedures and the employment of staff with appropriate skills.
- d) To measure and review the performance of the Association.
- e) To review the activities and structure from time to time and decide on changes if appropriate or advisable in its best interests.
- f) To exercise sound financial management and maintain financial viability whilst meeting the objectives.
- g) To avoid financial risk and protect the public funds invested in the Association.
- h) To ensure that the interest and needs of the tenants are considered in all matters.
- i) To ensure that the Association's properties are developed to a high standard and are kept in good repair.
- j) To be an excellent employer.
- k) To promote accountability through openness and contact with communities, representative bodies and strategic authorities.
- l) To attend regularly and contribute to Board meetings and to review regularly the performance of the Board to ensure, as a team, it has the capacity and commitment to understand and control the activities of the Association.
- m) To ensure that Board meetings are suitably documented, held at reasonable intervals and are effective.
- n) From time to time to attend functions and other meetings in the best interest of the Association.
- o) To attend appropriate training events.
- p) To be responsible for the recruitment and appointment of the Chief Executive.

## **PART E: CHIEF EXECUTIVE AND SENIOR MANAGEMENT TEAM**

### **1.0 Chief Executive**

#### *1.1 Role*

1.1.1 In summary, the role is to:

- a) Lead and manage the Association in accordance with its mission, vision and values, and act in the best interests of the Association at all times to uphold these.
- b) As principal advisor to the Board, assist and advise the Board in determining the Association's strategies, policies and business planning, and implement specific decisions of the Board.
- c) Draw the Boards' attention to matters that they should consider and decide upon.
- d) Ensure that the Board is given the information necessary to perform its duties and, in particular, that the Board receives advice on matters concerning compliance with the Rules, the law, regulatory requirements and the need to remain solvent.
- e) Ensure that proper systems of control, delegation and risk management are established and maintained.

#### *1.2 Delegation to the Chief Executive*

1.2.1 The Chief Executive is ultimately responsible for the operational management of the Association's affairs. They must assist the Board in determining its strategic objectives in accordance with its values, approved corporate, strategic and business plans and annual budgets, ensuring the achievement of such objectives through the effective deployment of the Association's resources and productive relationships with external agencies.

1.2.2 Subject to these Standing Orders and Financial Regulations, and in accordance with policies and decisions made by the Board and Committees, take the action they consider necessary to ensure the efficient and effective management and administration of the Association's activities.

1.2.3 The role and responsibilities of the Chief Executive are set out in the job description for the post.

1.2.4 The Chief Executive has delegated authority from the Board in the following respects:

#### *1.3 Finance*

- a) Make payments of capital and revenue expenditure within the limits approved in the annual budget.
- b) Invest surplus cash balances and make financial transactions in accordance with applicable financial and treasury management policies and guidelines, such investment being reported to the Board at its next meeting.
- c) Negotiate loan facilities and jointly sign, with a member of the board, loan

- documentation consistent with the board's approved borrowing strategy.
- d) Authorise urgent expenditure in excess of approved budgets (subject to limits agreed by the board, such expenditure being reported to the next meeting of the board).
  - e) Take such action as is considered necessary to protect the Association's interests in the event of any contractor or service provider failing to perform under the terms of a contract or having a receiver or liquidator appointed, (such action being reported to the next meeting of the board).
  - f) Tender, commission and sign letters of engagement for professional services such as valuation, property survey, insurances, internal and external audit, and legal services.
  - g) Agree the applications of reserves within the policy and financial limits set by the board.

#### *1.4 Administration*

- a) Determine detailed staff structures and operational arrangements below senior manager level within the overall establishment approved by the board.
- b) Appoint staff within the approved establishment and budget for all posts up to and including senior manager level. Board members shall be involved in the recruitment process for senior manager level posts.
- c) Incorporate in any contracts of employment special conditions consistent with the needs of the Association in addition to or in place of those in the standard contract of employment and sign contracts of employment on behalf of the Association.
- d) Deal with all matters concerning staff management, conduct discipline, performance appraisal, in accordance with the Association's personnel policies and procedures, subject to any potential dismissal or redundancy being reported to the board
- e) Approve salaries for all staff within parameters and scales agreed by the board.
- f) Approve staff training plans and staffs attendance on appropriate courses/conferences.
- g) Make temporary appointments to cover special circumstances (eg, variations in workload, maternity leave, long-term sickness etc.) within the approved budget.
- h) Prepare and deliver periodic returns to regulators, funders and other parties to comply with statutory and regulatory requirements and sign them on behalf of the Association except where a Board member is required to sign.
- i) Sign contracts on behalf of the Association.
- j) Subject to appropriate legal advice, to enter into and jointly sign, with a member of the Board, leases, agreements and contracts in connection with premises and equipment

#### *1.5 Housing Management and Resident Involvement*

- a) Commission reports, design work stationery and publicity material in support of public relations and fundraising strategies.
- b) Approve all operational policies, plans and procedures subject to 12.1 above.
- c) Approve standard forms of tenancy/lease/licence, allocate accommodation and



- approve transfers of residents in accordance with approved lettings and allocations policies and procedures.
- d) Collect maintenance charges, rent and other fees and charges, and write off bad debts within the limits approved by the Board and agree compensation to residents.
  - e) Carry out all the statutory functions of a landlord.
  - f) Consult and involve residents and any representative groups in accordance with the approved resident involvement policy.
  - g) Manage the housing stock in accordance with the policies and procedures approved by the board.
  - h) Agree, sign and terminate management agreements, service contracts and similar agreements on behalf of the Association in connection with the management, maintenance and provision of care to residents and properties.
  - i) Manage the Association's housing stock and all other facilities in an appropriate manner to provide for the health, safety and welfare of all staff, residents and users of the Association's services.

### **1.6 Asset Management**

- a) Promote, procure and implement new schemes and services consistent with the Associations approved business plan, development strategy, policies and capital and revenue budgets in accordance with the standards and procedures of the homes and communities agency and any other regulatory or funding authority.
- b) Approve bids for capital and revenue funding, which fall within the parameters of the approved corporate strategic and business plans and rent policy.
- c) Enter into contracts for the purchase of land, property, building work and professional or consultancy services within parameters approved by the Board and subject to the prior receipt of any necessary statutory and/or regulatory consents.
- d) Undertake feasibility studies and appraisals (with no financial or contractual commitment or within approved budgets).
- e) Approve the appointment of consultants and contractors and agree appropriate terms for their engagement.
- f) Approve and sign development agreements for the purchase or provision of services.
- g) Carry out repairs, adaptations and improvements within approved policies and budgets and sign building and maintenance contracts on behalf of the Association.

## **2.0 Senior Management Team**

2.1 The Senior Management Team are responsible for advising on strategy, policy and ensuring implementation of decisions made by the Board and committees. Each senior manager is responsible for the accountability and control of the staff and the security, custody and control of all other resources, including equipment, assets and cash within their sphere of activity.

2.2 The Senior Management Team meet at regular intervals chaired by the Chief

Executive or a nominee.

- 2.3 Issues relevant to the Association's activities that cross-departmental boundaries, or which may influence future policies shall be brought to this forum for discussion and decision before being submitted to the Board or to the appropriate committee.
- 2.4 The Chief Executive, senior managers and other staff involved are obliged to declare an interest in any issue being considered if a decision made could materially affect their personal or business circumstances.
- 2.5 Each senior manager shall consult with the Chief Executive or Finance Director on any matter within their responsibility which is liable to materially affect the finances of the Association before it is reported to the Board or committee.
- 2.6 All staff have agreed and been issued with job descriptions and provided with documents containing the regulations and procedures that relate to their area of work.

### **3.0 Delegated Authority**

- 3.1 Authority is delegated to the Senior Management Team (including the Chief Executive) to:
  - a) Take all necessary action for the effective day to day management, administration and supervision of their department, the service, resources and premises for which they are responsible, and for the efficient discharge of the responsibilities of their position.
  - b) Authorise expenditure and take such action as may be necessary and appropriate within the annual budgets approved by the Association.
  - c) Sell, let or authorise the use of premises under their control upon terms and conditions approved by the Board from time to time.
  - d) Dispose of surplus, unserviceable or obsolete plant, equipment, stores, vehicles or materials subject to relevant prior agreement as to any consequential writing off of balances.
  - e) Take action under the Disciplinary Procedure including the termination of employment of staff and managers as set out in the procedure.
- 2.2.2 The Chief Executive and SMT have the authority to certify the following items subject to the limitations imposed by Standing Orders and Financial Regulations:
  - a) Appointment of consultants.
  - b) Payments to contractors.
  - c) Payments to general creditors.
  - d) Purchase orders.
- 2.2.3 The Senior Management Team may, where appropriate, choose to delegate authorities to Managers or Officers as they deem fit.

## **PART F: DELEGATED AUTHORITY & SCHEDULE OF DELEGATED AUTHORITY**

### **1.0 Overview**

- 1.1 The Board is required to establish and to oversee a framework of delegation and systems of control. This should be read in conjunction with Section B, 3, Matters Reserved for Decision by the Board.
- 1.2 The schedule of delegated authority of these Standing Orders is intended to operate in conjunction with Board approved policies, the Delegated Financial Authorities and the Financial Regulations of the Association.
- 1.3 In addition, where, new or pro tem "authorities" are delegated to individuals or posts in a Board or Committee Meeting, a log of these is retained and members can examine this whenever they should wish, by requesting a copy from the Chief Executive.
- 1.4 Through the combination of budgetary and audit controls (both Internal and External), the Board can be comfortable that delegated authority is being used appropriately and that the Chief Executive feels "empowered" to manage the organisation, only needing to report to Board members on the vital aspects of the organisation's activities.

## 2.0 Board

### 2.1 Schedule of Delegated Authority

Ref.	ROLE/RESPONSIBILITY	ACTION UNDER DELEGATION	DELEGATED TO
1.	Approve annually the corporate plan and monitor performance against it.	Preparation of the corporate plan for consideration by the board. Implementation of the approved plan to include regular monitoring reports to the board.	Chief Executive
2.	Approve annually the Budget and the Annual Financial Plan, and monitor performance against them	Preparation of the budget for consideration by the board. Implementation of the approved budget to include quarterly financial performance monitoring reports to the board.	Finance Director
3.	Agree, monitor, review and amend the Association's key policies (H&S, Risk Management, Treasury, and Code of Conduct).	Review existing policies and formulate new policies, as required, for consideration by the board. To implement all policies.	Chief Executive
4.	Agree, adopt and review Standing Orders and Financial Regulations.	Review Standing Orders to ensure that it fully reflects the Association's arrangements and delegated authority regime. (Approval to any change is not delegated).	Chief Executive
5.	Agree, monitor, review and amend the overall aims and objectives of the Association.	Test the aims and objectives against the corporate plan and the business plan. Present reports, as appropriate, in relation to changes imposed through legislation or other external factors: or through new initiatives/opportunities.	Chief Executive.
6.	Approve internal control systems and the provision of an appropriate internal audit function.	Ensure the maintenance of a robust and effective system of internal control which will meet the requirements of the RoSH and the Association's funders.	Chief Executive
7.	Approve the annual statements of internal control required.	Preparation and presentation to the board of the annual statement on internal control for approval.	Chief Executive
8.	Approve and maintain a policy and procedures for the management of all risk.	Ensure systems and controls exist for the management of all risk within the organisation's adopted policies and procedures and monitor	Chief Executive and Finance Director

		performance against agreed targets.	
9.	Approve and maintain an effective and current policy on health and safety.	Ensure that all relevant issues in relation to the board's responsibilities under health and safety legislation are made known to the board and that the board's policies and procedures are adopted throughout the organization with any areas of non-compliance being reported.	Chief Executive

	ROLE/RESPONSIBILITY	ACTION UNDER DELEGATION	DELEGATED TO
10.	Appointment and removal of service providers.	Appoint and remove all solicitors, architects, accountants, surveyors, and consultants.	Chief Executive
11.	Employment of staff (below Senior Management Team).	To employ and dismiss staff and to set staffing levels, salaries and conditions of service for staff within business plan commitments, approved budget levels and within approved policies.	Chief Executive.
12.	Compromise, settle, conduct, enforce or resist either in a court of law or by arbitration any suit, debt, liability or claim by or against the Association.	Instigate appropriate action as defined in the agreed policies and where not covered by these standing orders report the matter to the Chair in the first instance.	Chief Executive
13.	Decision making between Board Meetings.	See <b>paragraph 3.0</b> "Emergency Procedures" below	Chair and Chief Executive
14.	Approve annually and monitor performance against the financial business plan.	Presentation of the financial business plan for consideration by the board. Implementation of the approved plan to include biannual performance monitoring reports to the board.	Finance Director
15.	Ensure that all activities of the Association are in compliance with regulatory, statutory or financial requirements.	Presentation of performance and financial monitoring reports. Compliance checks through the approved risk management procedures.	Chief Executive
16.	Agree, monitor and review the terms and conditions upon which the property of the Association is to be let.	Within the overall aims, objectives and policies of the Association, to establish and vary, from time to time, the terms and conditions for letting property of the Associations.	Chief Executive and Operations Director.
17.	Agree, monitor and review the terms and conditions upon which the property of the Association is to be leased or sold.	Within the overall aims, objectives and policies of the Association, to establish and vary, from time to time, the terms and conditions for letting property of the Associations.	Finance Director
18.	Oversee partnership and contractual arrangements with other statutory and voluntary agencies.	Establish constructive working relationships with other statutory and voluntary agencies; define the terms of the relationships and enter into contractual agreements within the framework of the Association's key policies and financial regulations.	Chief Executive
19.	Authority to take such action as is necessary (including court action) in respect of premises where the Association is either the landlord or the tenant.	To institute proceedings to address breach of tenancy conditions and, where appropriate, terminate the tenancy.	Operations Director

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### **3.0 Emergency Procedures**

- 3.1 In the case of an emergency, so that any items that are the responsibility of the Board can be dealt with properly, powers are delegated to: the chair, Chief Executive and appropriate committee chair.
- 3.2 Any decision taken under these powers will be reported to the next meeting of the board.
- 3.3 Any matters requiring an urgent decision may be referred to members by email or post.

### **4.0 Raising Matters of Concern**

- 4.1 Matters of concern should be raised in accordance with the Association's Whistleblowing Policy.
- 4.2 Any abuse of the confidential reporting provisions will be treated as a contravention of the National Housing Federation model Code of Conduct 2012 and could result in termination of office.

### **5.0 Delegations to Committees**

- 5.1 The Board may delegate any of its powers to committees which will consist of members of the Board.
- 5.2 The Board has agreed to the establishment of the following Committees:
- Audit and Risk Committee
  - Nominations and Remuneration Committee
- 5.3 The Board may from time to time appoint ad hoc committees and/or working parties from its number. The terms and conditions of such committees or working parties are to be decided at their appointment by the Board.

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**PART G: COMMITTEES TERMS OF REFERENCE****1.0 Audit and Risk Committee**

1.1 The purpose of the Audit & Risk Committee is to monitor and assess the Association's internal controls to ensure that they remain effective and adequate and that the Association is operating at appropriate levels of risk.

1.2 In addition, it is the responsibility of the Committee to:

- a) Examine the financial reporting process, external audit and internal control matters.
- b) Oversee the work programme and quality of the internal audit service.
- c) Monitor and review the overall Risk Management Strategy and the evaluation of risk across the Association.
- d) Advise the Board on relevant policies related to assurance and risk.
- e) To work to support the Value for Money agenda across the Association.

1.3 The Audit & Risk Committee is accountable to the Board for the fulfilment of the responsibilities delegated to it as set out in these terms of reference. All Committee members share responsibility for its decisions and should act only in the best interests of the Association.

1.4 The Board retains ultimate responsibility for all aspects of internal control, risk management and risk appetite.

1.5 The Committee will have the right to meet in private without the attendance of any executive officer or paid staff, as it sees fit. In addition to holding such private meetings, or part-meetings, the Chair of the Audit & Risk Committee shall have the right to report any matter of concern or seek advice from any regulatory body or the Association's internal or external auditors.

*1.6 Frequency of Meetings*

1.6.1 The Committee will meet at least four times a year.

*1.7 Chair*

1.7.1 The Board will appoint the Chair.

1.7.2 The Chair of the Board or the Chair of the Remuneration Committee, may not be appointed as the Chair of the Audit & Risk Committee.

*1.8 Membership*

1.8.1 The Committee will have a membership of up to half of the number of board members (one of which will be the Committee Chair).

1.8.2 The Chair of the Board cannot be a member of the Committee. Executive Directors, and paid staff members may not be members of the Committee. The



Chair of the Board may occasionally attend as an observer.

- 1.8.3 Board members on the Committee shall be appointed by the Board. The Committee may recommend an Independent member whose appointment will be subject to ratification by the Board.
- 1.8.4 Membership will be agreed by the Board on an annual basis (normally the September Board meeting).
- 1.8.5 A member of the Senior Management Team will be in attendance. The Committee shall have the right to request any officer to attend in respect of a matter that concerns them.
- 1.8.6 In appointing Audit & Risk Committee Members, it will be the policy of the Board to take all practical steps to include in its membership individuals having relevant financial expertise, development experience, risk awareness and experience of business. At least one member shall have a professional background in finance, accounting or auditing.

#### *1.9 Quorum*

- 1.9.1 A quorum shall be two members of the Committee.

#### *1.10 Accountability*

- 1.10.1 The Committee is accountable to the Board for the fulfilment of the responsibilities delegated to it as set out in this Terms of Reference.
- 1.10.2 All Committee members share responsibility for its decisions and should act only in the best interests of the Association and not on behalf of any constituency or interest group.

#### *1.10 Reporting Requirements*

- 1.10.1 The Chair of the Committee will ensure that key issues are promptly brought to the attention of the Board. In addition, the formal reporting process is set out below:

#### *1.11 Annually*

- 1.11.1 The Audit & Risk Committee shall produce an annual report for the Board. This should include a report on the adequacy and effectiveness of the Association's internal control systems, a summary of actions implemented during the year as a result of the auditors' report and a review of:
- a) the external auditor's management letter;
  - b) the internal auditor's report;
  - c) any RoSH or Homes England Performance Review report referred;
  - d) the register of detected frauds maintained by the Association;

- e) arrangements for promoting economy, efficiency and effectiveness of procedures and systems within the Association;
- f) the performance of the internal and external auditors during the year;
- g) compliance with the Governance & Financial Viability Standard.

#### *1.12 Following Each Meeting*

1.12.1 The Committee Chair shall provide minutes, or draft minutes to be presented to the next Board meeting. Should any changes be made to the draft minutes on approval these will be brought to the attention of the Board at the next Board meeting.

#### *1.13 Responsibilities and powers*

##### *a) Effectiveness*

- i. To advise the Board on the effectiveness of the management and control systems for ensuring risk management, business continuity, controls assurance, propriety, regularity, economy, efficiency, competence and accountability.
- ii. To ensure that weaknesses in control are being corrected.
- iii. To monitor the implementation of approved recommendations relating both to internal audit reports and external audit reports and management letters.
- iv. To initiate reports and investigations as it sees fit, having the right of access to all Minutes, books, documents or any other information maintained by any company within the Association. The Committee may require Officers to supply information, either written or verbal, on any matter relating to management or finance.
- v. To monitor the effectiveness of the external and internal audit services and their relationship with each other and ensure adequate co-ordination between them.
- vi. To review the register of detected frauds maintained by THE ASSOCIATION at each meeting. To ensure the Fraud Policy and Response Plan is kept up to date and is implemented.

##### *b) Internal Audit*

- i. To advise the Board on the appointment and remuneration of the internal audit service and the scope of this work.
- ii. To communicate with the internal audit on audit approach, reporting, timetables and findings.
- iii. To receive appropriate reports from management on all cases of fraud, attempted fraud or other irregularities and to consider whether appropriate action has been taken and that internal controls are satisfactory.
- iv. To ensure that The Association has appropriate internal audit arrangements, and to approve the scope and/or limitations of such arrangements.
- v. To review and agree the internal audit strategy and annual programme of

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work for the internal auditors and to receive quarterly reports of progress against this and agree revisions.

*c) External Audit*

- i. To advise the Board on the appointment and remuneration of external auditors and the scope of their work.
- ii. To communicate with the external audit on audit approach, reporting, timetables and findings.
- iii. To review the external audit work and meet the external auditors as required.
- iv. To consider the annual financial statements together with the detail of the external auditor's management letter(s) and recommend to the Board The Association's response.
- v. To determine a policy in relation to the provision of non-audit services and monitor and review its application.

*d) Risk Management*

- i. To monitor and review The Association's Risk Management arrangements.
- ii. To evaluate risks and assess the treatment of them and advise the Board accordingly.
- iii. To ensure that internal and external audit arrangements are coordinated with the Risk Management Framework.
- iv. To ensure that within the risk management procedures there are adequate stress testing procedures and reporting mechanisms in place.
- v. To oversee the the risk management of the Association's responsibility for the Health and Safety of residents

*e) Value for Money*

- i. To verify through the scrutiny of internal controls assurance that there are no potential threats posed to the Value for Money agenda, and where any are identified, refer such issues to the Board for consideration.

*f) Accountability*

- i. To review the annual financial statements before they are presented to the Board focusing on:
  - accounting policies;
  - compliance with accounting standards;
  - findings of the external auditors, including any significant audit adjustments.
- ii. To prepare an annual report for submission to the Board.

*g) General*

- i. To make recommendations to the Board on polices involving audit matters.
- ii. To provide an annual report to the Board as to the work of the Committee

and any assurance it has sought during the year.

- iii. Consider, review and approve if appropriate, any other business that the board sees fit to delegate authority to this committee.
- iv. To receive reports on any actual or potential reportable breaches of the regulatory framework and standards of Homes England.
- v. To review annually compliance with the Governance & Financial Viability Standard.

### 1.14 Delegations

- a) The Audit Risk Committee shall have full delegated authority to carry out its role detailed above.
- b) The Committee may obtain outside professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. It will notify the Chief Executive of any action taken and appointment made.
- c) The Chair may obtain legal advice from the Association's usual legal advisors where it is felt to be necessary.
- d) The Chair or, in the absence of the Chair, a duly authorised Board Member of the Committee (nominated by the Chair or as agreed by the Board Chair) shall have delegated authority and be authorised to deal on behalf of the Audit & Risk Committee with any matter (for example fraud or a whistle blowing incident) which may arise between ordinary meetings of the Committees and all actions taken under such authority shall be reported to the next meetings of the Boards.
- e) The Director of Finance is authorised to take responsibility for the implementation of the plans, policies, systems and procedures with respect to internal and external audit arrangements for the Association. The Director of Finance may delegate responsibility to other staff or to external contractors or consultants as appropriate.
- f) All delegations must be in line with the requirements of the Rules, Standing Orders, the Internal Control Framework and the Framework of Delegated Authority.

## 2.0 Nominations and Remuneration Committee

### 2.1 The purpose of the Committee is:

- a) To review and make recommendations in relation to the appointment of Board and Committee members and developing a succession plan for each of the Board and Committees allowing for planned capacity building of existing and prospective members.
- b) To review triennially and make recommendations to the Board on remuneration and the terms and conditions of the Senior Management Team.
- c) Reviewing governance policy and practice.
- d) To recommend and oversee the framework for the evaluation and appraisal of the Board, Board members and the Chief Executive.
- e) To oversee the implementation of the human resource strategy and to consider staffing issues which fall outside the authorities delegated to management, and make recommendations upon them to board where necessary.
- f) To periodically review the business case for the remuneration of Board Members and make recommendations to the Board.
- g) The Committee will uphold the Association's vision, mission and values.

2.2 *Frequency of meetings*

2.2.1 The Committee will meet at least twice times a year.

2.3 *Chair*

2.3.1 The Board will appoint the Chair. The Chair of the Committee will not be the Chair of the Board.

2.4 *Membership*

2.4.1 The Committee will have a membership of up to half of the Board including the Chair of the Board as an ex-officio member.

2.4.2 Board members on the Committee shall be appointed by the Board. The Committee may recommend an Independent member whose appointment will be subject to ratification by the Board.

2.4.3 The membership of the Committee will be agreed by the Board on an annual basis (normally the September Board meeting).

2.4.4 A member of the Senior Management Team will be in attendance. Other members of the paid staff may also attend.

2.5 *Quorum*

2.5.1 Two members of the Committee (excluding the Chair of the Board).

2.5.2 The Committee will have the right to meet in private without the attendance of any paid staff, as it sees fit.

2.6 *Accountability*

2.6.2 The Committee is accountable to the Board for the fulfilment of the responsibilities delegated to it as set out in this Terms of Reference.

2.6.3 All Committee members share responsibility for its decisions and should act only in the best interests of the Association and not on behalf of any constituency or interest group.

2.7 *Reporting Requirements*

2.7.1 The Chair of the Committee will ensure that key issues are promptly brought to the attention of the Board. In addition, the formal reporting process is set out below:

2.8 *Annually*

2.8.1 The Committee shall report annually to the Board on the following matters:

- a) The Governance Framework including the board development and succession plan.
- b) An assessment of compliance with the Code of Governance.
- c) The appraisal of the Chief Executive.
- d) The Committee's recommendation for an annual pay award.

## 2.9 *Following Each Meeting*

2.9.1 The Committee Chair shall provide minutes, or draft minutes to be presented to the next Board meeting. Should any changes be made to the draft minutes on approval these will be brought to the attention of the Board at the next Board meeting.

2.9.2 The approved minutes of each meeting of the Committee will be presented to the next Board meeting.

## 2.10 *Responsibilities and powers*

### a) *Human Resources*

- i. To oversee any changes or alterations to the disciplinary and grievance procedures.
- ii. To monitor the progress of the HR strategies and plans, in relation to recruitment, leadership, professional development, performance management and employment policies and procedures.
- iii. To consider and approve any changes in organization-wide employment policies that aren't delegated to Officers.
- iv. To consider major changes to staff Terms and Conditions of Service and make recommendations to the Board.
- v. To triennially review the Redundancy policy and recommend any changes to the Board.

### b) *Executive Remuneration and Appraisal*

- i. To develop an effective mechanism for the appraisal of the Chief Executive. To review the mechanism to ensure it continues to meet the Association's needs and is in line with best practice.
- ii. To ensure the formal appraisal of the Chief Executive is undertaken, to review this and make appropriate recommendations, based on the outcomes, to the Board.
- iii. Ensure that there is an independent review, at least triennially, of the remuneration and other terms and conditions of the Chief Executive. The review to take account of good practice, market comparisons and industry norms, with any recommendations submitted to the Board for approval.
- iv. Ensure that the Chief Executive undertakes an independent review of the Executive Team remuneration and other terms and conditions, at least triennially. The review to take account of good practice, market conditions and industry norms, with any recommendations submitted to the Board for approval.

- v. To determine the process for the appointment (and dismissal) of the Chief Executive to Board for approval.
- vi. To determine, with the Chief Executive, the process for the appointment (and dismissal) of the Executive Team.

c) *Appraisals and Remuneration*

- i. To approve any annual performance award for employees in line with the Financial Regulations.
- ii. To approve, monitor and review the Association's Remuneration Strategy.

d) *Pension Arrangements*

- i. To consider major changes to staff pension arrangements.
- ii. To approve, monitor and review key pension arrangement strategy and policies relating to staff across the Association.

e) *Board Membership*

i. *Appraisals and Training*

- To develop an effective mechanism for the appraisal of the Board as a team and individual Board Members, including the Chair. To review the mechanism to ensure it continues to meet the Association's needs and is in line with best practice.
- To consider the outcome of the appraisals in developing a training and development plan for the Board and Committees.
- To report on the outcome of the appraisal process to the Board.

ii. *Appointments (including Board co-optees)*

- To periodically review the Membership Policies of the Board to ensure that they continue to be appropriate, effective and in line with best practice.
- Review periodically the membership of the Board in accordance with the Constitution and to recommend to the Board to appoint, co-opt or disqualify Members where appropriate.
- Regularly review the composition (including the skills, knowledge and experience) required of the Board and committees compared to its current position and make recommendations to the Board with regard to any changes.
- To oversee a process for the recruitment of Non-Executive members, to any vacancy in line with the Governance Framework, the agreed succession plan and the Association's recruitment policies. To recommend appointments to the Board.
- Ensure compliance with the NHF Code, Excellence in Governance, in particular Section D of the Code in relation to appointments to the Board.



### *iii. Succession and Planning*

- To be responsible for the succession planning for Board Membership taking into account the Board Membership Policy, skills requirement, skills gap analysis and terms of office of Board Members.
- To make recommendations to Board on issues arising from the work on succession planning.

### *iv. Remuneration*

- The Committee shall periodically review the business case for the remuneration of board members where permitted by the Rules and make any recommendations to the Board.

### *v. Governance Standards*

- To assess annually compliance with the Code of Governance and report to the Board its findings and any recommendations for strengthening compliance, meeting best practice or tackling any areas of non-compliance.
- To annually assess compliance with the adopted Code of Conduct.
- To periodically review the Code of Conduct to ensure that it remains appropriate to the culture and values of the Association.
- To oversee triennially an external review of the Association's governance arrangements.

## *2.11 Delegations*

- a) The Committee shall have full delegated authority to carry out its role detailed above.
- b) The Committee may obtain outside professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. It will notify the Chief Executive of any action taken and appointment made.
- c) The Chair may obtain legal advice from the Association's usual legal advisors where it is felt to be necessary.
- d) The Chief Executive has delegated authority to take responsibility for the day to day management and implementation of the Association's plans, policies, systems and procedures with respect to staffing matters (except those specifically retained by the Board). The Chief Executive may delegate responsibility to other staff or to external contractors or consultants as appropriate.
- e) All delegations must be in line with the requirements of the Rules, Standing Orders, the Internal Control Framework and the Framework of Delegated Authority.
- f) The Chair or, in the absence of the Chair, a duly authorised Board member of the committee shall have delegated authority and be authorised to deal on behalf of the Remuneration Committee with any matter which may arise between ordinary meetings of the committees and all actions taken under

such authority shall be reported to the next meeting of the Board.

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## **Appendix: Resident Engagement Structures**

### **1.0 Residents Forum**

- 1.1 There shall be a Residents Representatives Forum, which will be held a minimum of three times in any calendar year.
- 1.2 It will be formed from Residents Representatives who will be those persons who have a current letter of appointment setting out their role.
  - 1.2.1 A Resident Representative must be either a Resident or a member of the Association.
  - 1.2.2 Effective from 1 May 1996 newly appointed Resident Representatives will only be appointed for 3 years by ballot of the homes they serve.
  - 1.2.3 Members of the Board may attend the meeting.
- 1.3 Residents Representatives do not have powers of decision and act purely as a consultative body to the Board.
- 1.4 The Chair of the meeting will be the Chief Executive.
- 1.5 If the Chief Executive is absent from the meeting, another member of the Senior Management Team or the Board may Chair the meeting.
- 1.6 The Chief Executive can call an Extraordinary Meeting outside of the three annual meetings to deal with matters that arise where the information needs disseminating immediately.
- 1.7 Notification of meetings will be a minimum of 14 clear days excluding the days of service of the notice and the day of the meeting.
- 1.8 The notice will specify the time and place of the meeting and the general nature of the business to be transacted by means of an agenda.
- 1.9 An independent Social Welfare Fund be maintained to benefit residents.

### **2.0 Grounds Maintenance Partnership**

- 2.1 There will be a Grounds Maintenance Partnership panel ("Gardening Club") consisting of up to 12 members selected voluntarily from the Association's Resident Representatives.
- 2.2 The Gardening Club will be chaired by a member selected by majority vote.
- 2.3 Prospective contractors will be invited via the Delta E Procurement system, to provide detailed, costed proposals for the provision of gardening services for all schemes receiving the service for a period of up to four years, in compliance with Section 19.0 *Procedure for Works Estimated to Exceed £10,660*. Following

consultation with all involved internal departments DAMHA will decide on the price /quality scoring matrix of the tenders, to achieve the best value for money for all concerned eg. 70% Price/30% Quality

- 2.4 Tender responses will be automatically scored and analysed through the Delta E-Tendering system, (this will vary depending on the % split between price and quality as pre-determined). Based on the analysis of the tender documents the Procurement Officer, following consultation with the Operations department, will shortlist the responses. An internal meeting will be held to decide which of the shortlisted suppliers will be awarded the contract. The "Gardening Club" will be notified accordingly.
- 2.5 Throughout the contract the Operations Director will conduct regular surveys.
- 2.6 Periodic meetings of a frequency agreed by the Gardening Club, but no more frequently than bi-monthly, will be held throughout the growing season and a review meeting in the autumn to be attended by the contractor.
- 2.7 The Gardening Club will act in an advisory capacity regarding the acceptability and value for money of the work of the contractor for the duration of the contract.
- 2.8 The Operations Director or his/her representative will attend all meetings of the Gardening Club and act as Secretary.
- 2.9 The member of staff in the capacity of secretary has no voting rights on any issues.

### **3.0 Scrutiny Panel**

- 3.1 There will be a scrutiny panel which will meet a minimum of five times in any calendar year.
- 3.2 Only residents of the Association will be eligible to serve on this panel. Residents appointed to the Board or any of its Committees will not be eligible to serve on the Scrutiny Panel.
- 3.3 A maximum of 15 panel members will be appointed each for a term of 3 years.
- 3.4 At the first meeting of the Scrutiny Panel, after the Annual General Meeting of the Association, panel members shall elect from themselves a Chair and Vice Chair.
- 3.5 In the event of a casual vacancy arising amongst the panel, the Chair and Vice Chair shall have power to appoint a further resident panel member to fill the vacancy for the remainder of the appointed term of the retiring panel member. Where the number of applications exceeds the number of vacancies, applicants will be interviewed by the Chair and Vice Chair of the Panel to determine who shall be appointed.
  - 3.5.1 The Vice Chair of a Committee shall preside at all meetings of the Committee at which he/she is present in the absence of the Chair.

- 3.5.2 If both the Chair and Vice Chair of a Committee are absent from a meeting of the Committee, the members present shall choose one of their number to preside over the meeting.
- 3.5.3 If the Chair or the Vice Chair arrives at a meeting from which the Chair is absent, after the time for which the meeting has been summoned, he/she shall preside over the meeting after any questions under discussion on his/her arrival have been disposed of, but not before then.
- 3.6 Notification of meetings will be a minimum of 5 clear days excluding the days of service of the notice and the day of the meeting.
- 3.7 The notice will specify the time and place of the meeting and the general nature of the business to be transacted by means of an agenda.
- 3.8 No business shall be transacted unless a quorum is present. The quorum shall be THREE panel members.
- 3.9 *Scrutiny Panel Terms of Reference*
  - 3.9.1 To monitor the performance information of the Association on a quarterly basis
  - 3.9.2 To monitor and review all local offers of the Association
  - 3.9.3 To make recommendations to Board to contribute to the continuous improvement of the quality of the service provided by the Association.
  - 3.9.4 To assist in the development of the Annual Report to residents.
  - 3.9.5 To act as Independent Residents Panel for DAMHA residents as part of the complaints process.
- 3.10 *Procedure at Scrutiny Panel*
  - 3.10.1 The Chair will open the meeting not before the time specified in the notice informing the members of the meeting.
  - 3.10.2 Notification of apologies received, and from the floor will be recorded. Agreement of the minutes of the previous meeting as a true record will be minuted.
  - 3.10.3 Any matters arising from the previous minutes will be discussed and minuted.
  - 3.10.4 The Chair to sign and date the minutes after the last entry to signify agreement.
  - 3.10.5 The Chair will conduct the meeting from the agenda as published taking into account any agenda item papers that have been tabled at the meeting.
  - 3.10.6 All recommendations to executive will be voted upon by a show of hands.
  - 3.10.7 Where there is an amendment to an original recommendation the amendment will

be voted upon first, followed by the recommendation and a record taken of the decision.

3.10.8 The Chair having conducted the meeting and disposed of the agenda will then take any other business which has been notified to the Chair prior to the commencement of the meeting.

3.10.9 The Chair may adjourn a meeting and re-convene at a suitable time and date if it is felt by the members that the items under discussion on the agenda cannot be finalised at the meeting.

3.10.10 The Chair will declare the meeting closed at the end of business.

3.10.11 Minutes will be circulated to members as part of the agenda for ratification that they are a true record of the previous meeting.

3.10.12 Other residents of the Association will be welcome to attend, at the discretion of the Chair. Their role will be to observe only and they will have no voting powers.

### *3.11 Procedure at Complaints Review Meeting of Scrutiny Panel Members*

3.11.1 Three members of the Panel will:

- i) Ensure that any complaint to be reviewed has been through DAMHA's internal complaints process.
- ii) Independently review the complaint in an impartial manner, ensuring that the Association's policies and procedures have been followed.
- iii) Refer the matter to the Association's Chief Executive where appropriate.
- iv) Refer the complaint to the Housing Ombudsman Service, where appropriate.
- v) Respond to the resident(s) involved including details of any referrals.

### *3.12 Role of Permanent Staff (Scrutiny Panel)*

3.12.1 The Operations Director or their representative will attend all meetings of the Scrutiny Panel and act as secretary.

3.12.2 The member of staff in the capacity of secretary has no voting rights on any issues.

## **4.0 Duration of application**

4.1 This document: Appendix to Standing Orders – Resident Engagement Structures, to be applicable only until superseded by a Resident Engagement Policy to be approved by the Board.