



# Standing Orders and Delegated Authority

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## Contents

1.0	INTRODUCTION AND PURPOSE .....	4
2.0	GENERAL .....	4
3.0	BOARD STRUCTURE AND REMIT .....	4
4.0	DIRECTORS, BOARD MEMBERSHIP, MEETINGS AND QUORUMS.....	5
4.1	<b>Directors</b> .....	5
4.2	<b>Board Membership</b> .....	5
4.3	<b>Committee Membership</b> .....	6
4.4	<b>Frequency of Meetings</b> .....	6
4.5	<b>Quorums</b> .....	7
5.0	OFFICE BEARERS AND COMMITTEE CHAIRS .....	7
6.0	CONDUCT OF MEETINGS.....	7
6.1	<b>Agenda and Papers</b> .....	7
6.2	<b>Chairing of Meetings</b> .....	8
6.3	<b>Length of Meetings and Adjournments</b> .....	8
6.4	<b>Order of Business</b> .....	8
6.5	<b>Declarations of Interest</b> .....	9
6.6	<b>Motions and Amendments – Current Agenda</b> .....	9
6.7	<b>Motions for Inclusion in a Future Agenda</b> .....	10
6.8	<b>Voting</b> .....	10
6.9	<b>Meeting Format</b> .....	10
6.10	<b>Points of Order</b> .....	11
6.11	<b>Suspension of Standing Orders</b> .....	11
6.12	<b>Confidentiality</b> .....	11
6.13	<b>Media</b> .....	11
6.14	<b>Minutes</b> .....	11
6.15	<b>Minute Approval</b> .....	11
6.16	<b>Openness and Confidentiality – Public Minutes</b> .....	12
6.17	<b>Conduct of Board Members and Declaration of Interest</b> .....	12
7.0	INTERIM AND EMERGENCY DECISIONS .....	13
8.0	REVIEW.....	13
	APPENDIX 1 .....	14
	<b>Remit of the Board</b> .....	14

APPENDIX 2 .....	16
<b>Role Description for Chair and Vice Chair</b> .....	16
APPENDIX 3 .....	19
<b>Role Profile for Board Members</b> .....	19
Think strategically .....	19
Represent the interests of tenants, customers and communities .....	19
Guide strategic action .....	19
Seek out relevant and critical information .....	19
Solve problems and make decisions .....	19
Be sensitive to others .....	19
Work effectively with others .....	20
Behave as a corporate citizen .....	20
Build capacity and capability .....	20
APPENDIX 4 .....	21
<b>Terms of Reference of the Audit and Risk Committee</b> .....	21
Appendix 5 .....	26
<b>Schedule of Delegated Authority</b> .....	26
<b>Office Bearers</b> .....	26
<b>Secretary</b> .....	26
<b>Financial Delegated Authority</b> .....	26
<b>Emergency Arrangements</b> .....	27
<b>Staff</b> .....	27

## 1.0 INTRODUCTION AND PURPOSE

1.1 This policy sets out how Homes for Life will look to recover the cost of any rechargeable item from its tenants and owners.

1.2 These include provisions on the number and powers of Directors; their appointment, retirement and removal; their interests; their remuneration, expenses, payments, benefits, proceedings of their meetings; the Offices of Chair, Vice Chair and Secretary; Minutes, accounting records and other books or documents; and Notices.

1.3 These Standing Orders:

- Do not restate regulations already covered in the Memorandum & Articles but provide supplementary detail.
- Establish guidelines for conducting Company business - including how business structures, proceedings, responsibilities and delegated powers to Office Bearers and Senior Staff will operate.
- Provide a flexible framework within which authorised decisions can be taken, enabling the Company's aims and objectives to be met.

## 2.0 GENERAL

2.1 Nothing in these Standing Orders permits or requires the Board, Officers, directors, or staff to contravene the Memorandum and Articles of Association or any statutory obligations.

## 3.0 BOARD STRUCTURE AND REMIT

3.1 The current business structure consists of the Board of Directors, an Audit & Risk Committee and a Staffing Committee.

3.2 At present (December 2021) all reports, with the exception of confidential staffing reports are going through the Main Board due to the governance improvement plan being implemented. At some time in the future, the Audit & Risk Committee meetings will be re-instated. The Staffing Committee meet as and when required.

3.3 The Board retains the right to establish:

- a. any other Committees necessary to enable it to effectively carry out its business, including any Appeals, Grievance or Disciplinary Committees.
- b. ad hoc, working or other special purpose groups of limited time duration to carry out specific tasks at the request of the Board.

3.4 In summary, the Organisation is responsible for the structure and exterior of the building, for installations and for the insurance of the building and:

- The Organisation agrees to give the tenant 24 hours notification of access for routine maintenance.
- The Organisation will take reasonable care to keep common parts in repair.

- 3.5 The Standing Orders govern how each of these groups will operate.
- 3.6 For ease of reference, the remit of the Board is detailed in Appendix 1 and the Roles of the Chair and Vice Chair at Appendix 2. The Role Profile for Board Members is attached at Appendix 3. The Terms and Reference of the Audit and Risk Committee is attached at Appendix 4. The scheme of delegated authority at Appendix 5.
- 3.7 The remit of the Health & Safety Committee and any Appeals, Grievance or Disciplinary Committees are outlined in the relevant Policies.

## 4.0 DIRECTORS, BOARD MEMBERSHIP, MEETINGS AND QUORUMS

### 4.1 Directors

All directors have the same rights and obligations whether elected or appointed; members or specialist co-options; tenants or not except that Co-opted Directors cannot vote on matters relating to membership or Office Bearers, as they are not members; and cannot be elected as either Chair or Vice Chair, as election to these Offices are for a minimum of two years, whereas appointments of Co-opted Directors do not exceed the next Annual General Meeting.

As is seen as good practice, the Director elected as Chair of the Board cannot also be elected as Chair of the Audit & Risk Committee.

### 4.2 Board Membership

As laid out in the Company's Rules, the maximum number of Board Members is 15 and the minimum is 7.

The Board will act swiftly to ensure any vacancies are filled as soon as possible. In doing so it will:

- seek to maintain an appropriate mix of skills and experience;
- ensure its composition adequately reflects the diversity of its customers and the communities in which it operates;
- ensure Co-opted Directors do not comprise more than one third of the Board;
- maintain a majority of Tenant Directors where possible, although this is not now a requirement of the Rules.

The Board will arrange annual reviews to assess the continued contribution and effectiveness of all Directors; as well as the continued objectivity and challenge of any Directors seeking to continue in office beyond 9 years. Appropriate Training will be arranged for all directors to ensure they can develop necessary skills.

#### **4.3 Committee Membership**

The Board retains the right to review and amend its Committee structure as necessary and to refer work to Committees - whether standing or ad hoc/ working/ special purpose committees.

All Committees will have a minimum of 3 and a maximum of 8 directors.

The Board will appoint Directors to particular Committees and will review these appointments annually or as circumstances require.

In doing so, the Board will seek to ensure an appropriate mix of skills, experience and diversity within each Committee.

Preferences will be taken into account, and no director will be compelled to join any Committee. Where necessary elections will take place to agree membership of each Committee.

Any director may request papers for, attend, or make representations to any Committee meeting - whether a member of that Committee or not, with the exception of Staffing, Appeals and Grievance Committees (for which this would not be appropriate). However, only members of a Committee may vote at its meetings.

#### **4.4 Frequency of Meetings**

There will be no fewer than 6 meetings of the Board in any one calendar year. A calendar of meetings will be agreed during the 3rd Quarter of each financial year for the next financial year.

Dates of meetings may be altered, and additional meetings called by arrangement between the Chair and the Senior Officer (Secretary).

A special meeting may be requested by any director submitting notice in writing or by email to the Senior Officer (Secretary). That notice must specify the business to be transacted. Arrangements for holding the meeting are as contained in the Company's Articles.

The frequency of meetings of Committees will be determined as necessary. However, the Audit & Risk Committee will meet at least twice a year.

#### 4.5 **Quorums**

The quorum for a Board meeting will be four directors, of whom at least two must not be Co-opted Directors.

However, for any item on which a director would not be entitled to vote, including due to a declaration of interest, then that director cannot be counted in determining the quorum required for that part of the meeting.

The quorum for Committees will be any three directors.

Where there are insufficient directors present to form a quorum within half an hour of the agreed starting time for the meeting to commence, no business may be transacted other than for the Board to fill any vacancies or call a general meeting. Adjourned meetings will be re-scheduled by the Senior Officer (Secretary) in arrangement with the Chair, taking account of the urgency of business.

In exceptional circumstances, where there is no quorum, and a decision on a particular matter is required that day, the Chair of the Board/Committee (or in the absence of the Board Chair, the Vice Chair) may authorise the action required under the scheme of delegations of authority detailed in the Appendices subject to homologation by the next meeting.

### 5.0 **OFFICE BEARERS AND COMMITTEE CHAIRS**

5.1 The Company's Office Bearers are the Chair and Vice Chair. Both will be elected by the Board from amongst and by the directors. Elections will generally take place at the first Board Meeting after an AGM, unless no elections are actually required at that time.

Elected Office Bearers will initially serve until the next AGM, unless they cease to be a director or a majority of the Board vote for their earlier removal.

### 6.0 **CONDUCT OF MEETINGS**

#### 6.1 **Agenda and Papers**

The agenda and papers for each Board or Committee meeting will be sent out no less than five working days beforehand by the Senior Officer, in their capacity as Company Secretary.

The Senior Officer/Secretary will agree the composition of the agenda with the appropriate Chair, and thereafter ensure that all minutes, reports and papers are produced in the current approved format for issue.

The circulation or "tabling" of late papers will not normally be permitted. However, the Chair may allow the addition of a late item to the agenda where the matter is considered urgent and requires a report to be received or a decision made at that meeting.

The proceedings of any meeting will not be invalidated by the non-receipt of the agenda and papers by any director.

## **6.2 Chairing of Meetings**

In the Chair's absence, or where the Chair is unable to participate due to a declaration of interest, the Vice Chair will chair the meeting. Where the Vice Chair is also absent, the directors present will appoint one of their number to chair that meeting.

Where the Chair arrives after the commencement of a meeting at which the Vice Chair or other director has taken the chair, that person will continue to chair the meeting until the agenda item under discussion has been completed, when the Chair will take over.

The same process will relate to the chairing of Committee meetings, except that in the absence of the Chair, the appointed directors will appoint one of their number to chair that meeting.

## **6.3 Length of Meetings and Adjournments**

Board meetings or Committee meetings should not last for longer than 2 hours.

At the end of that time the meeting will end unless there is support from at least two thirds of those present for it to continue until either all the business, or the business requiring to be resolved that day, is completed. The maximum additional time allowed, under this agreed suspension of standing orders is thirty minutes.

Where there is still insufficient time to conclude all business the meeting will be either:-

- formally closed, with remaining business being added to the agenda for the next scheduled meeting; OR
- adjourned to the same day and time the following week.

An adjourned meeting will be regarded as a continuation of the original meeting and decisions reached then will be recorded as having occurred then. No business will be dealt with at the additional meeting, other than the unfinished business from the original meeting.

## **6.4 Order of Business**

Meetings will follow the order of the agenda, unless the Chair determines that there is good reason to change this.

Any business which is not on the agenda, but which a director or officer wishes to raise (normally under Any Other Competent Business), should generally be discussed with the Senior Officer or Chair as far as possible in advance of the meeting, but in any case



prior to commencement of the meeting. The Chair will have discretion as to whether or not items are added to the agenda.

Urgent items of a serious nature will generally be included. However, as neither directors nor staff directors will have had the opportunity to prepare in advance, then decisions should generally not be taken until subsequent meetings.

Where any request for inclusion in the agenda is turned down, the business will be included in the agenda for the next scheduled meeting.

#### **6.5 Declarations of Interest**

A standard item will be included on the agenda for all meetings asking directors to declare whether they have an interest in any items of business about to be discussed.

Any director declaring an interest will take no part in the discussion or decision on the item(s) concerned and may also be requested to leave the meeting for the duration of the item(s), should a majority of directors present and eligible to vote on that item so require.

Any declaration of interests raised during a meeting will be recorded in the minutes of that meeting. If not already covered by an entry in the Company's Register of Interests a relevant entry will also be made.

#### **6.6 Motions and Amendments – Current Agenda**

Any item of business that requires to be formally adopted, approved or decided by vote, will be done so by the submission of a formal motion that will require to be seconded. The names of the proposer and seconder will be minuted, and in the absence of further discussion, will be voted on by the directors. Where further discussion is required, the Chair will determine whom, and in what order, directors can speak.

An amendment to a motion can be proposed by any director at any time and, to be considered, will require to be seconded. Where there is more than one amendment, each one will be considered and voted on in the order in which they are raised. If an amendment is approved, it will become the motion on which further amendments may be proposed.

All speakers will address the Chair and all other directors will observe order when a director is speaking. The time limit for individual speakers, and for a discussion of a particular item, will be at the discretion of the Chair.

All amendments must be relevant to the subject under discussion, and the Chair of any meeting will have the power to rule out of order any motion or amendment which is, in their opinion, irrelevant or incompetent.

#### **6.7 Motions for Inclusion in a Future Agenda**

Notice of a motion for consideration at a future meeting should generally be given at any ordinary meeting of the Board/Committee, or in writing to the Company Secretary or appropriate Chair as far as possible in advance of that future meeting, but not later than 10 days before it.

If the director submitting the motion is absent at the next meeting when the motion is due to be considered, the motion shall be carried forward to the following meeting. If the director is absent again the motion will fall.

A motion proposing an amendment or contradiction to a previous Board decision will require to be submitted in writing for inclusion on the appropriate agenda and be supported by at least one third of the directors. Such motions will not generally be permitted until at least six months has elapsed from the date of the adoption of the original decision. However, exceptions include:

- introduction of new legislation or regulations; or
- new pertinent facts, as confirmed by the Chair, have come to light

#### **6.8 Voting**

Voting will normally be by a show of hands. A simple majority of those present and voting will decide the matter, except where the Company's Articles require a different majority. In the event of a tie, the Chair will have an additional casting vote.

Any director present may propose that a vote be taken by secret ballot. To be considered, such a proposal will require a seconder. There will be no discussion on the proposal and a vote by show of hands will take place. To be carried, a simple majority of those present and eligible to vote will require to vote in favour.

Directors will not be included or counted if the matter under consideration is one on which they are not entitled to vote.

#### **6.9 Meeting Format**

The Company has introduced Zoom meetings as a result of the COVID-19 pandemic and these meetings take place remotely and count as if an in person meeting had been held.

#### 6.10 **Points of Order**

Any director may raise a point of order at any time during a meeting. All questions of order will be decided by the Chair having due regard to the advice of staff, consultants, or specialist co-opted directors present at the meeting. This ruling will be final. No other director will be able to speak to the point of order without the Chair's consent.

#### 6.11 **Suspension of Standing Orders**

Any motion to suspend Standing Orders will require to be proposed and seconded. To succeed, the motion will require to be supported by two thirds of directors present.

#### 6.12 **Confidentiality**

Directors and staff will regard all matters discussed at Board/Committee Meetings or in any other arena as strictly confidential.

#### 6.13 **Media**

When/if it proves necessary to formally speak to the media about the Company's business, this should be carried out by the Senior Officer or Chair, as agreed between them as most appropriate to the enquiry, and subsequently reported to Board.

#### 6.14 **Minutes**

The Senior Officer, as Secretary, will normally be responsible for ensuring that the business of each Board or Committee meeting is properly minuted.

An exception would be where the Board has agreed to exclude staff, when the meeting will elect a minute taker who will be responsible for producing a minute of that meeting or item. The minutes will include:-

- names of directors present; any staff or others in attendance and any apologies received
- approval of the minutes of the previous meeting
- description of each item of business considered, major points raised on each item including who made them and the Board/Committee's eventual decision
- names of those proposing or seconding any motion or amendment
- result of any vote and whether by show of hands or secret ballot
- any declarations of interests by members

#### 6.15 **Minute Approval**

The draft of the minutes will be circulated to the Chair and Vice Chair as soon as possible following the meeting for comment and or amendment.

The agreed draft will then be issued with the agenda and papers for the following meeting. To be adopted, the minutes will require to be proposed and seconded by

any two directors who attended the previous meeting, and approved by the majority of those present.

Minutes may be adopted subject to the inclusion of an amendment to correct or clarify a point. Any amendment(s) required must be proposed, seconded and approved by a majority of directors present, prior to the formal adoption of the minutes.

The original copy of the minutes (where appropriate, with any amendments included) will be considered as signed by the Chair of the meeting at which they were approved.

The minutes of Committee meetings, or working groups, will be submitted to the next scheduled meeting of the Board "for information". The minutes will be formally approved at the next meeting of that Committee or working group.

Any director who disagrees with a majority decision made at a Board/Committee meeting may request that their dissent be recorded in the minutes. However, such directors will accept the will of the majority of directors and collective responsibility for ensuring successful implementation of such decisions.

A director who was not present at a particular Board/Committee meeting, may request clarification of a point in the minutes at the following meeting, but may not re-open discussion on any item where a decision was made at the previous meeting unless that item had not been included in the agenda circulated prior to the meeting.

A director who does not serve on a particular Committee may request clarification of a point in the Committee minutes but may not re-open the discussion of that item, except where the Committee has referred an item back to the Board for consideration.

#### **6.16 Openness and Confidentiality – Public Minutes**

At the same time as the Minutes of the Board meeting are being considered for approval, a public version of the minute will also be approved prior to it being posted on the Company's website. In the Public Minute, some items may be treated as confidential or commercially sensitive and will therefore be excluded from this version of the minute.

#### **6.17 Conduct of Board Members and Declaration of Interest**

In conducting the Company's business, directors will adhere to these Standing Orders; the Company's Memorandum and Articles of Association, and the Company's Code of Conduct, as well as relevant good practice guidance from the Scottish Housing Regulator and others relevant publications.

The Senior Officer as Secretary will ensure that each year following the AGM, directors are issued with the Code of Conduct and complete and updated declaration of interest form.

The Board and Committees' re-affirm that they will not take any decisions which contravene current legislation, statutory regulations, any approved codes of practice or their Memorandum and Articles of Association.

The Board will assess annually the skills, knowledge, diversity, and objectivity required to achieve and maintain good governance as laid out in the Board Recruitment, Induction and Effectiveness Policy.

## **7.0 INTERIM AND EMERGENCY DECISIONS**

7.1 It is recognised that effective pursuance of the Company's work will require decisions to be taken between meetings. The scheme of delegated authorities outlined in the Appendices provides delegated authority to the Chair, Vice Chair and Secretary to take appropriate action, subject to the principle that use of such interim decisions will be minimised, that they will be reported to the next meeting for homologation and the underlying principle that these will involve the minimum necessary commitment on behalf of the Company.

## **8.0 REVIEW**

This policy will be reviewed at every 3 years or where there has been new legislation, or a change in regulatory requirements or policy guidance.

## Remit of the Board

The Board of Directors, as Homes for Life's governing body is responsible the organisation's strategy, leadership, controls and compliance with same.

Noted in the tables below are the collective responsibilities of the Board and those matters which the Board cannot delegate.

### Board Collective Responsibilities

a	Define, approve and review the overall mission, vision, core values and aims and objectives of the organisation, taking account of its operating environment and the needs and views of its tenants, future tenants and other service users
b	Provide leadership to the organisation, setting values and standards and ensuring that its obligations to stakeholders are met
c	Establish a framework for approving strategies, policies and plans to achieve those objectives
d	Satisfy itself as to the integrity of financial information and approve each year's financial statements prior to publication, and approve each year's budget and business plan
e	Establish and oversee a framework of delegation and systems of internal control, which are reviewed annually
f	Establish and oversee a framework for the identification, management and reporting of risk, in order to safeguard assets
g	Agree policies and decisions on all matters that might create significant financial or other risk to the organisation, or that raise material issues of principle
h	Monitor performance in relation to these strategies, plans, budgets, controls and decisions and also in the light of tenant and service user feedback and benchmarking performance of comparable organisations
i	Establish and monitor a mechanism for communicating and receiving feedback from tenants, service users, stakeholders and shareholders
j	Provide leadership to the organisation, its Senior Officer and staff and ensure obligations to stakeholders are met
k	Appoint (and if necessary, dismiss) the Senior Officer following agreed procedures, and approve the salary, benefits and terms of employment and annual appraisal process
l	Satisfy itself that Homes for Life's affairs are conducted lawfully and in accordance with the sectors and other generally accepted standards of performance, probity, good practice and regulatory requirements
m	Assess and review compliance with Homes for Life's Code of Conduct
n	Ensure compliance with the Rules and other statutory requirements
o	Ensure that the organisation has adequate resources to meets its objectives
p	Appoint Office Bearers and Committee Members
q	Establish and oversee the arrangements for the employment of staff
r	Approve appointments to the senior staff

### **Board Collective Responsibilities**

s	Assess and review compliance with the Scottish Housing Regulators regulatory framework, including receiving relevant reports to allow the annual Assurance Statement to be compiled
t	Review significant matters with regard to relationships with other bodies i.e. Scottish Government, Office of the Scottish Charity Regulator (OSCR), Financial Conduct Authority (FCA), Companies House, local authorities, other statutory bodies and other registered providers
u	Consider any matter reserved to it by the Financial Regulations
v	Embrace and monitor the application of equality, diversity and inclusion principles

### **Matters reserved for Board which cannot be delegated**

1	Expansion of operations into new activities or outside its existing geographical area
2	Any decision to cease a material part of operations
3	Changes to the corporate structure, including setting up subsidiaries
4	Approval of resolutions to be put forward at a general meeting
5	Changes to the structure, size and composition of the organisation
6	Approval of Board membership, including Chair and terms of reference

## Role Description for Chair and Vice Chair

### 1.0 INTRODUCTION

This purpose of this document is to clearly define the functions and roles of the Chair and Vice Chair, consistent with the principles set out in the Regulatory Code of Governance, published by the Scottish Housing Regulator, and with associated regulatory requirements.

The Chair of the Board has particular duties and responsibilities and should always remember that he/she is acting on behalf of the Board and not in isolation.

The position of Chair is referred to in the Company's Articles of Association, Standing Orders, and other policies. It is also referred to in relevant legislative and regulatory requirements governing Companies, Charities, and Registered Social Landlords. The Chair must always act in accordance with the requirements of the Company's own governing documents and Policies, as well as with applicable legislative and regulatory requirements.

### 2.0 RESPONSIBILITIES OF THE CHAIR

The overall responsibilities of the Chair are to provide leadership to the Board of Directors, and to ensure the efficient and proper conduct of the Board's business and acting on occasions under delegated authority on behalf of the Board.

The specific responsibilities of the Chair are as follows:

#### 2.1 **Providing leadership to the Board**

The Chair will:

Represent the Company and present constructive views on its behalf.

Keep the composition, skills and effectiveness of the Board under review, and recommend action to remedy any deficiencies.

Ensure that the Board receives and takes due account of appropriate professional advice.

Ensure, in the event of a vacancy, in conjunction with other members of the Board, that the Senior Officer post is filled in a timely and orderly fashion, in accordance with employment legislation, good practice, Employers in Voluntary Housing guidance, and the Company's own recruitment policies.



Ensure, in conjunction with other members of the Board, that the remuneration of the Senior Officer is considered, and recommendations made to the Board.

Arrange, with other members of the Board, for the annual appraisal of the Senior officer, and report results to the Board.

Provide ongoing support and guidance to the Senior Officer and (where necessary) initiate any disciplinary action, in accordance with employment legislation, good practice, Employers in Voluntary Housing Terms and Conditions, and any specific terms agreed for the post.

## **2.2 Ensuring the efficient and proper conduct of the Board's business**

The Chair will:

Chair all general meetings of the Company in accordance with its Articles of Association and the requirements of the Companies Acts.

Chair all meetings of the Board, in accordance with its Standing Orders, and ensure the efficient and proper conduct of the Board's business.

Ensure that the views of all Board members are sought before any important decision is taken at meetings.

Decide on any points of order arising at any meetings of the Board.

Keep order and make sure that every member has a fair hearing and an opportunity to express their views on the subject under discussion.

Decide all matters of order, relevancy and at their discretion, alter the order of business at any stage of the meeting.

Exercise a second and deciding vote in the event of a tie in the vote of the Board.

## **2.3 Acting under delegated authority on behalf of the Board**

The Chair will:

Initiate any investigation under the terms of the Company's Code of Governance.

Ensure that the Company's business is efficiently and accountably conducted between Board meetings.

Act as the final authority in relation to appeals and complaints, in accordance with the Company's policies.

Authorise documents requiring the Board or the Chair's authorisation.

Take decisions on behalf of the Company in the event of emergencies that occur out-with the regular Board cycle, reporting these back to the Board for ratification. Specific provisions relating to the use of delegated authority are outlined in the Standing Orders, Financial Regulations, and Authorised signatories Policies.

#### **2.4 Additional Points**

The Chair is offered training where appropriate to help them develop their skills in relation to the responsibilities associated with the post.

In exercising their responsibilities, the Chair may seek the advice and support of the Vice Chair, Chairs of Committees, other office bearers or directors with relevant knowledge or expertise, and will seek and take due account of the advice of the Senior Officer, other staff, finance agent, auditors or other consultants, as appropriate.

However, the Chair remains solely responsible for the decisions which lie within the responsibilities of the post, and their decisions in these matters are final.

The relationship between the Chair and Senior Officer, as leaders of the Board and of the Staff respectively, is vital to the effective governance of the Company. The relationship must be based on good and regular communication, mutual trust and support and an understanding of the respective roles and responsibilities.

#### **3.0 VICE CHAIR**

The overall responsibilities of the Vice Chair, or any other Director nominated by the Board to do so on a contingency basis, are to stand in for the Chair in their absence, and to execute the duties and responsibilities outlined above, on a temporary basis, pending the return of the Chair, or election by the Board of a new Chair should circumstances require.

The purpose of this post is to ensure continuity of good governance. The Vice Chair will not seek to implement material changes in policy or direction when acting as stand in for the Chair, except where exceptional circumstances require such immediate action and this has first been discussed with and due account taken for the advice of the Senior Officer, Scottish Housing Regulator, Auditor, Finance Agent, consultants or other staff – as appropriate to the circumstances.

## Role Profile for Board Members

### 1.0 COMPETENCY FRAMEWORK

Board Members are expected to possess the undernoted competencies:

Competency	Definition
a Think strategically	Able to understand the environment in which we work, see the bigger picture, think 'outside the box' to see the implications of changing circumstances, and able to use this knowledge to provide strategic direction to inform the current and future needs of the organisation.
b Represent the interests of tenants, customers and communities	Be able to consistently understand and represent the needs and interests of tenants, customers and communities.
c Guide strategic action	<p>Believe in the core mission and values of the organisation and be able to translate this vision into expectations, goals and tangible measures, so that the organisation's performance can be delivered and monitored.</p> <p>Understand the risks inherent in the housing sector and recognise and select between small and large risks and how to manage same</p> <p>Understand the individual and collective roles and perspectives of the Senior Staff Team and of the Board, and be able to use various forms of communication to identify priorities, influence, resolve conflict and provide guidance.</p>
d Seek out relevant and critical information	Be prepared to behave as a critical friend, be proactive, apply your knowledge broadly and have the confidence to ask the difficult or challenging questions to enable objective judgements to be made.
e Solve problems and make decisions	Prepare thoroughly for meetings and show that you have evaluated proposals, can describe and summarise the key issues clearly and prioritise the main risks and benefits, to help make decisions.
f Be sensitive to others	Be self-aware, aware of the needs of others, able to observe and listen well, involve others in discussion and debate, ask questions in a non-threatening way, able to admit mistakes.

	Competency	Definition
g	Work effectively with others	Work constructively as part of a team to build consensus, can regulate and adjust your behaviour according to specific situations or contexts, and network on behalf of Homes for Life with external stakeholders and work with other Board Members and the staff team.
h	Behave as a corporate citizen	Have high levels of integrity and honesty, align your own goals with the values and ambitions of Homes for Life, recognise and respect diversity and use this knowledge to drive forward wider 'community' objectives, rather than personal agendas, in the context of sound business management and corporate governance.
i	Build capacity and capability	Provide leadership to create and maintain a 'Learning Board", share and evaluate skills, expertise and experience, ensure quality time to plan new initiatives and provide a mentoring and advisory role to maximise the effectiveness of the Board.

## 2.0 QUALITIES

### **Commitment and capacity**

- Commitment to Homes for Life's Mission and Values
- Time to attend meetings of Board and Committees, strategic debates and ad-hoc discussions
- Undertake training and development

### **Personal**

- Energy and enthusiasm
- Honesty and integrity
- Good listener and clear communicator
- Have respect for diversity and value difference

## Terms of Reference of the Audit and Risk Committee

### 1.0 ROLE

The Audit & Risk Committee is appointed by the Board to discharge the Company's responsibilities in the areas of financial reporting, internal control, risk management and investment.

### 2.0 OBJECTIVES

The Audit & Risk Committee provides advice to give assurance to the Board that:

Risk Assessment and Mitigation is embedded into financial and non-financial management processes;

- a. Overall Governance Arrangements are appropriate and operating effectively;
- b. Legislative and regulatory requirements governing activities as a Company, Registered Social Landlord, Charity and employer are being complied with, including all necessary returns;
- c. The financial control framework is effective and supported by an appropriate compliance culture;
- d. External financial reporting is prudent, accurate, appropriate and consistent with accounting policies;
- e. Internal financial and management reporting is timely, prudent, appropriate and consistent with the external financial reports; and
- f. Internal Audit Assurance provides an appropriate level of comfort

### 3.0 SPECIFIC RESPONSIBILITIES

This section highlights the most significant responsibilities of the Committee; it can be amended at the Committee's discretion, subject to agreement of the Board, to ensure the objectives are met.

#### 3.1 **Financial reporting**

To review the Annual Financial Statements, before their submission to the Board, ensuring that they are prudent, accurate, appropriate and consistent with the Company's Accounting policies.

To meet with the External Auditors to review the Annual Financial Statements, review the Key Accounting Policies and take judgements on the treatment of unusual items. To review relevant sections of the Annual Report ensuring the information is adequate, consistent and easily understood.

To recommend the adoptions of the Annual Financial Statements to the Board and Members of the Company. In doing this the Audit & Risk Committee will pay particular attention to:

- Accounting policies and practices;
- Decisions involving a major element of judgement;
- Accounting treatment and disclosure of any unusual transactions in the year;
- The clarity of disclosures in the Annual Financial Statements;
- Assurances about the financial systems which provide the figures for the Annual Financial Statements
- Significant adjustments resulting from the External Audit.

To consider and make recommendations to the Board in relation to the appointment, reappointment and removal of Finance Agents.

To oversee the relationship with Finance Agents including the approval of their terms of engagement and remuneration.

To meet with and assess the performance of Finance Agent.

### 3.2 **Internal Control**

To consider the Company's Financial Control Framework, including financial authorities, management accountabilities and the main financial controls relating to the key financial and operational processes.

To consider sensitive audit findings, any matters which the internal and external auditors may wish to raise, and any other matters of major importance, and to report if appropriate to the Finance Agent, Senior Officer and Board thereon together with any recommendations for improvements. Where deemed necessary and appropriate such consideration will be in the absence of management.

To consider the adequacy of management responses to any major Internal Audit or External Audit recommendations.

To consider and advise the Board and Senior Officer on the adequacy of the annual and medium-term work plans of Internal Audit and ensure it links appropriately to that of the External Auditors.

To consider all reports from the Internal Auditor and to discuss as appropriate any issue relating to these reports. Where deemed necessary and appropriate such consideration will be in the absence of management. The Audit & Risk Committee may also direct Internal Audit to carry out work in any area where they believe further/additional assurance is required.

To consider and make recommendations to the Board in relation to the appointment, re-appointment and removal of Internal Auditors.

To oversee the relationship with Internal Auditors including the approval of the terms of engagement and remuneration.

To meet with and assess the performance of Internal Auditor.

### **3.3 Risk Management**

To independently monitor and assess the effectiveness of the Risk Management Strategy established by management to identify, assess, and manage Risk.

Focus is given to assessing:

- The Risk Management Strategy adopted for the management of the Company's key risks and processes. This encompasses all types of risks. (e.g. strategic, operational, financial, reputation, and compliance with relevant legislation and good practice guidance-including but not restricted to - Housing, Environmental, Employment, Health & Safety Equality and Diversity.)
- Management's ownership and accountability in relation to these risks;
- The level of assurance provided relating to the management of the key risks including those identified by the Company in Business Plans and Risk Registers;
- To review and approve the statements included within the Company's Annual Financial Statements concerning Risk Management.

### **3.4 Governance Arrangements**

To review and advise on the adequacy of the Company's Anti-Fraud Policies and Whistle-Blowing Processes.

This will include ensuring that appropriate arrangements are in place for staff, in confidence, to raise concerns about possible improprieties (e.g. in financial reporting or re possible fraud), and ensuring that adequate arrangements are in place for proportionate and independent investigation of such matters and for appropriate follow-up action.

### **3.5 External Audit**

To review any progress reports from the External Auditor on work that they are performing including audit of Annual Financial Statements and any interim or other reviews.

To discuss with External Auditor as appropriate any issue arising from the audit or relating to their reports. Where deemed necessary and appropriate such consideration will be in the absence of management.

To consider and make recommendations to the Board in relation to the appointment, reappointment and removal of the External Auditors.

To oversee the relationship with the external auditors including the approval of the terms of engagement and remuneration.

To review and approve any Annual Audit Plan.

### 3.6 **Health and Safety**

To nominate 2 directors from the Committee to represent the Board on the statutory Health & Safety Management Committee, which also includes 2 staff representatives (Senior Officer and the employee designated as the Health and Safety Co-ordinator). The terms of reference of this statutory Committee are detailed within the Company's Health & Safety Policy. However for the avoidance of doubt, it has authority delegated directly from and reports directly to the Board, not the Audit and Risk Committee.

### 4.0 REPORTING

To regularly update the Board on its activities or matters arising during the year.

The Chair will produce and present to the Board an annual report summarising the activities of the Committee and the outcomes of its work.

### 5.0 MEMBERSHIP

Members of the Committee will act with independence and objectivity in the conduct of their responsibilities. In addition, each member should have a sound understanding of the objectives and priorities of the Company and of their role as a Committee member.

A Committee member or attendee who becomes aware of a potential conflict of interest relating to matters being discussed by the Committee should give prior notification to the Chair or, if this is not possible, declare this at the meeting and, where necessary, withdraw during discussion of the relevant agenda item.

The Board will be responsible for the appointment and removal of members of the Audit & Risk Committee.

The Audit & Risk Committee will consist of not less than three and not more than eight directors of the Board.

The Audit & Risk Committee will also be attended and serviced by the Senior Officer and as deemed necessary and appropriate by the Finance Agent. Other staff, or consultants, or advisors may also be invited to attend, at the discretion of the Chair.

Members of the Audit & Risk Committee will normally serve for a term of three years, unless they retire or are removed from the Board or are otherwise unable to continue serving on the Committee. Reappointment by the Board for further terms is permitted, to ensure development and continuity of relevant expertise.



The Chair of the Audit & Risk Committee shall generally be the most suitably qualified and experienced member, preferably a member of a recognised accountancy body, where possible.

The Chair will attend the Company's AGM and they will be prepared to answer any questions raised by the members on matters within the Audit & Risk Committee's area of responsibility.

For the avoidance of doubt presentation of the Company's Annual Financial Statements to the members is within the remit of the Finance Agent, and the Annual Report will generally be presented by the Business Manager or Chair of the Board.

## 6.0 MEETINGS

The Audit & Risk Committee will meet at least two times a year at appropriate times in the Company's Financial Reporting cycle.

At least once a year the Audit & Risk Committee will offer Internal and External Auditors the opportunity to meet without staff present, even if they do not themselves deem this necessary. If neither the Auditors nor Audit & Risk Committee members deem it necessary, then Management may otherwise attend meetings.

A minimum of three members of the Committee must be present for the meeting to be declared quorate. In the absence of the Chair the meeting may be chaired by another member.

Written agendas and supporting papers will, wherever possible, be produced and distributed at least one week (5 working days) before meetings to members, other necessary attendees, and any other director requesting the opportunity to attend.

Minutes will be promptly produced and circulated to Committee members and all other attendees, and will subsequently be distributed to other directors along with any reports back to the Board on the Audit & Risk Committee.

### **Schedule of Delegated Authority**

It is recognised that the effective pursuance of the Company's work requires decisions to be taken without awaiting Board approval, and that many routine matters will fall to be decided by members of staff, in accordance with approved policy.

Accordingly, this Scheme of Delegation sets out the basis on which delegated powers shall be exercised by office bearers and senior staff.

The Board's purpose in approving this Scheme of Delegation of Powers is to ensure that the work of the Company is not unnecessarily delayed for decisions which are clearly within the general terms of Company policy.

Accordingly, the office bearers and staff shall, in all cases, seek to use delegated powers to maintain progress in the various areas of work, provided that no policy decisions are taken or major financial commitments entered into without the approval of the Board.

### **Office Bearers**

The Chair or in their absence, the Vice Chair, shall have a general remit to consult with the Senior Officer to ensure that all necessary decisions are taken in between meetings of the Board.

The Chair of any Committees with delegated powers on the issue requiring decisions, in consultation with the Senior Officer, shall have discretion to authorise such actions or decisions as may be necessary to avoid delays in progressing the work of the Company, provided that all matters on which the Chair, Vice Chair has authorised action shall be reported to and homologated by the following meeting of the Board.

It shall be understood that, in all cases where discretionary authority is delegated to the Chair, the same authority shall be delegated to the Vice Chair in the absence of the Chair.

### **Secretary**

The Senior Officer, as Secretary shall have authority -

- to carry out the duties of Secretary as laid down in the Company's Memorandum and Articles and to ensure the proper completion and security of all legal documents
- to accept tenant applications for Company membership and to report them to the following meeting of the Board. Discretion on ordinary membership applications will be retained by the Board.

### **Financial Delegated Authority**

The Chair and Vice Chair shall have authority:

- to authorise expenditure in excess of budget in accordance with limits set out in the financial regulations

### **Emergency Arrangements**

Where urgent decisions with policy implications become necessary and when it is impracticable to call a special Board meeting, the Chair [or the Vice Chair if the Chair is not available] shall consult with such other office bearers [including the chair of any relevant committee] and the Senior Officer as are available. Any such decisions must be reported to and homologated at the following Board meeting.

### **Staff**

Except for the statutory duties of the Secretary which are covered above, staff shall have authority to carry out their duties as detailed in their job descriptions, or as otherwise directed by the Senior Officer [or such other person as may be authorised to deputise in their absence, or in the case of the Senior officer, by the Chair or Vice Chair in their absence], subject to compliance with agreed policy and procedures, these standing orders and financial regulations.

For the avoidance of doubt, no commitment shall be made by staff on any of the following without specific Board approval:

- acquisition or disposal of properties [including leases and securities]
- changes to terms and conditions of staff
- appointment of permanent or temporary staff
- entry into contracts or appointments with commitment values exceeding the levels of delegated authority stipulated in the relevant appendix to the Financial Regulations and related Authorised Signatories Procedure.

These generally limit discretion without prior Board Approval to not more than £10,000 for the Senior Officer. However, for the avoidance of doubt, this does not preclude action under the emergency arrangements outlined above, where essential works would otherwise be unnecessarily delayed whilst awaiting decisions which are clearly within the general terms of Company Policy.