

# Board of Management Standing Orders

## ***Our Commitment***

*Argyll Community Housing Association Limited (ACHA) is committed to providing equal opportunities across all services and to avoid discrimination. This policy is intended to assist ACHA to put this commitment into practice. Compliance with this policy should also ensure that employees and governing body members do not commit unlawful acts of discrimination.*

***This policy can be made available in other formats, for example in large print, audio-format or Braille: the document may also be available in other languages, in full or summary form, as appropriate.***

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## Section 1 Context

- 1.1 These Standing Orders specifically relate to the Board of Management, and sub-committees, for the purpose of setting out the way in which the Board of Management of Argyll Community Housing Association Limited will conduct its business and the ethics it will honour in governing its meetings.
- 1.2 The Standing Orders which relate to Area Committees are included as an appendix within the Association's Scheme of Delegated Authority (delegation from the Board of Management to Area Committees).
- 1.3 The Standing Orders relating to Argyll Homes for All Limited (our subsidiary company) are set out as a separate document.

## Section 2 The law and good practice

- 2.1 The main legislation and regulatory guidance relating to this policy includes:
  - 2.1.1 **The Bribery Act 2010;**  
"Bribery" is defined as giving someone, or receiving, a financial or other advantage to encourage the recipient to perform their functions or activities improperly or to reward that person for having already done so.
  - 2.1.2 **The Charities and Trustee Investment (Scotland) Act 2005;**  
This 2005 Act places duties on charity trustees, which include the governing body members of ACHA, in regard to their conduct on behalf of ACHA.
  - 2.1.3 **The Regulatory Standards of Governance and Financial Management**, published by the Scottish Housing Regulator (SHR), sets out the Regulator's requirements following the implementation of the legislative provisions of the Housing (Scotland) Act 2010:

Standard 1 - The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users

Standard 2 - The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is sustainable achievement of these priorities

Standard 4 - The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

Standard 5 - The RSL conducts its affairs with honesty and integrity

Standard 6 - The governing body and senior officers have the skills and knowledge they need to be effective

2.2 We must comply with the stipulations and requirements of the Rules (our foundation governance document) and other documents within our governance framework, which includes these Standing Orders.

### **Section 3 Our policy objectives**

3.1 These Standing Orders set out the governance structure, procedures and provide a framework for effective management of the business by our Board of Management and sub-committees (through delegation).

### **Section 4 Implementing our policy objectives**

4.1 These Standing Orders are part of a wider governance framework which include our:

- Rules
- Schedule of Delegated Authority and Financial Regulations
- Group Governing Body Member Code of Conduct
- Group Staff Code of Conduct
- Scheme of Delegated Authority to Area Committees
- Governing Body Succession Strategy

4.2 The Board of Management may not exercise any powers which are reserved to the Association members in general meetings either by the Rules or by statute.

#### **4.3 Delegation to Sub-committees**

4.3.1 To ensure that business is managed efficiently; the Board of Management will delegate some of its powers to sub-committees, as it sees fit, and will determine the role, composition, terms of reference and delegated powers of any sub-committee.

4.3.2 The following standing sub-committees have been established to carry out such functions as referred or delegated to them by the Board of Management:

- Audit Committee
- Policy Committee
- Ad-hoc Committee
- Remuneration Committee

4.4 The remit of each sub-committee shall be agreed by the Board of Management. Sub-committee remits shall be reviewed no less than every three years, unless there is a requirement to do so within that time. The current sub-committee remits are provided at *Appendices 3 to 6*.

4.5 Any question as to the interpretation of the delegated authority functions of a sub-committee will be determined in an emergency situation by the Chair or in his/her absence by the Chair of the appropriate sub-committee.

- 4.6 These standing orders and associated sub-committee remits describe the matters which are reserved to the Board of Management, and sub-committees, for approval and decision.
- 4.7 Delegation to the Chief Executive and other Members of Staff**
- 4.7.1 As a matter of policy, no member of staff, or a close relative of a staff member, may be a member of the Board of Management, or Area Committee. This is reflected in our Rules (Rule 38.5).
- 4.7.2 The role of the Chief Executive is to act as the Board of Management's principal adviser. To be responsible and accountable, to the Board for the effective implementation by the staff team of the Board's decisions and policies.
- 4.7.3 The Schedule of Delegated Authority and Financial Regulations sets out the limits within which staff members have delegated authority to implement the policies and decisions of the Board of Management, and to conduct the operations of the Group.
- 4.7.4 Subject to these reservations and restrictions, the Chief Executive is authorised and empowered to manage the Group, direct its operations and is responsible and accountable to the Board of Management for the work of the staff team.
- 4.8 Frequency of meetings**
- 4.8.1 The Board of Management will normally meet every six weeks (and at least six times per annum as per Rule 47).
- 4.8.2 A calendar of meetings for the coming year will be produced and circulated prior to December of each year.
- 4.8.3 The Audit Committee will normally meet every twelve weeks (and at least four times per annum).
- 4.8.4 The Policy Committee will normally meet at least once per annum.
- 4.8.5 Other Ad-hoc sub-committees, which may be established from time to time (including the Remuneration sub-committee), will meet in accordance with their remit and delegated authority.
- 4.8.6 Special Meetings of the Board of Management may be convened in accordance with the Rules (Rules 51 and 52).
- 4.9 Notice of Meetings and Agendas**
- 4.9.1 The Secretary will normally give written notice of all standard (ordinary) meetings, where agreed by the Board of Management, prior to December of each year.
- 4.9.2 Board of Management members will be provided with an agenda, in writing, of a meeting of the Board of Management at least seven days' in advance of the meeting.

- 4.9.3 All business for the meeting's agenda must be with our Office Bearers in good time for it to be mailed with the papers accompanying the notice of the meeting.
- 4.9.4 Papers requiring a decision by the Board of Management must be circulated at least 72 hours in advance of a meeting. Only information papers may be tabled at a meeting, and papers should only be tabled in exceptional circumstances.
- 4.9.5 Urgent matters not on the agenda may be discussed at meetings, only, if the majority of Board Members agree to this. Urgent matters known before the meeting should be brought to the attention of our Secretary as soon as possible (Rule 50.1).
- 4.9.6 Meetings in addition to the normal schedule, or where the programme of meetings has not been set down, will require at least seven days' notice to Board of Management members.
- 4.9.7 Prior to the agenda being prepared (and prior to the meeting itself), the Chief Executive or relevant senior staff member should meet with the Chair, and / or Office Bearers, to confirm the order of business, and to clarify the matters requiring decision.

#### **4.10 Quorum Requirements**

- 4.10.1 Business can only be conducted if there is a quorum of at least **seven members** (excluding co-optees) of the Board of Management in attendance, (in compliance with Rule 47), within fifteen minutes of the scheduled starting time of the meeting.
- 4.10.2 The quorum for all sub-committees shall be three members (excluding co-optees) (in accordance with Rule 59.1).

#### **4.11 Adjournment**

- 4.11.1 If the majority of member's present agree, the Chair of a meeting can adjourn the meeting (Rule 26).
- 4.11.2 No business can be discussed at the adjourned meeting other than the business not reached or left unfinished at the original meeting.

#### **4.12 Time Management of Meetings**

- 4.12.1 The decision of the Chair, Vice Chair (or other person presiding at a meeting) on length of speeches, debate and closure of debate, is final. The Chair, Vice Chair (or other person presiding at a meeting) will seek to ensure that all Board members are given adequate opportunity to debate all items on the agenda.
- 4.12.2 All Board business, including all sub-committees, should not exceed three hours (as per Rule 37).
- 4.12.3 In exceptional circumstances, the meeting may be extended by a motion for suspension of Rule 37, if this decision is supported by two-thirds of those members present and voting to this effect is passed.

#### **4.13 Any Other Competent Business**

- 4.13.1 Any other competent business should be intimated to the Chair prior to the start of the meeting, if possible giving 24 hours' notice.
- 4.13.2 The Chair will rule on whether the business is competent for discussion and/or decision at the meeting.
- 4.13.3 Other business will be referred to a future meeting or delegated to the appropriate sub-committee or staff member.

### **Section 5 Performance management**

#### **5.1 Role and remit of the Board of Management**

- 5.1.1 The Board of Management is our governing body. Its central role is to direct and control our work. The Board of Management is responsible for determining strategic direction and policies, for establishing and overseeing the control and risk management framework, and for ensuring that we achieve our aims and objectives. The Board of Management's current remit is provided at *Appendix 2*.

#### **5.2 Frequency of meetings**

- 5.2.1 The Board of Management will normally meet six weekly, at least six times per annum. A calendar of meetings for the coming year is produced prior to December of each year for the following year.
- 5.2.2 The Audit Committee will normally meet on a quarterly basis.
- 5.2.3 The Policy Committee will normally meet at least once per annum.
- 5.2.4 The Remuneration Committee will meet as required by the tasks imposed upon it.
- 5.2.5 Other sub-committees, which may be established from time to time in accordance with the Rules and these Standing Orders, will meet in accordance with their Terms of Reference and delegated authority.
- 5.2.6 Special Meetings of the Board of Management may be convened in accordance with Rule 51 and 52.
- 5.2.6 Staff will submit written reports as required by the Board, Chair, Secretary or Chief Executive. The Chief Executive and Departmental Director`s will normally be in attendance.

#### **5.3 Revision of Standing Orders**

- 5.3.1 These Standing Orders may only be altered or revoked by the Board of Management if the motion for alteration or revocation is supported by two-thirds of those present (excluding co-optees).

5.3.2 These Standing Orders will be reviewed by the Board of Management at least once every three years.

### **Section 6 Development, conduct and training**

- 6.1 Members who fail to attend four consecutive meetings of the Board, without special leave, will be deemed to have resigned (as per Rule 44.5.3). The Board may direct the Chief Executive to advise Board Members whose attendance is such that they may find themselves removed from the Board.
- 6.2 Governing body members must (in accordance with the Group Governing Body Member Code of Conduct);
- 6.2.1 Uphold and promote our aims, objectives and values.
  - 6.2.2 Demonstrate honesty, integrity and probity.
  - 6.2.3 Exhibit selflessness, openness, objectivity, accountability and leadership.
  - 6.2.4 Accept responsibility for all decisions reached by the governing body, or sub-committee, and support them at all times, even if you did not agree with the decision when it was made.
  - 6.2.5 Always consider the views of others and be tolerant of differences.
  - 6.2.6 Comply at all times with rules relating to the use of public funds, and to act in good faith and in the best interests of the Group.
  - 6.2.7 Participate in, and contribute to, an annual review of the contribution made individually to governance.
  - 6.2.8 Not use information gained in the course of their service to promote their private interests.
  - 6.2.9 Recognise that as individuals, they have no powers to act on behalf of, or represent the Group, other than when they have been specifically delegated to do this.
  - 6.2.10 Not act in an individual way which could bring the Group into disrepute.
  - 6.2.11 Report any concerns or suspicions about possible fraud, corruption or other wrongdoing.
  - 6.2.12 Not misuse, or contribute to or condone the misuse of resources and must comply with policies and procedures regarding the use of funds and resources.
  - 6.2.13 Prepare effectively for meetings and ensure you have access to all necessary information to enable you to make well-informed decisions.



6.2.14 Monitor performance carefully, to ensure the organisations purpose and objectives are achieved

6.2.15 Uphold adopted policies.

6.2.16 Not speak or comment in public on the Group`s behalf without specific authority to do so.

6.3 The Group expects the highest standard of integrity in the management of its affairs. All Board members are required to sign and adhere to the Group Governing Body Member Code of Conduct and to disclose any relevant interests in the Declaration of Interest Register, which is maintained by the Corporate Services department on behalf of the Chief Executive/Secretary.

6.4 All Board Members shall register any direct or indirect pecuniary (financial) interest or other interests which are not pecuniary but which might influence judgement or give the impression that a member was acting for personal motives.

6.5 In accordance with the Group Payment and Benefit Policy, a member who has (or feels they may have) a personal interest in an item of business must declare this to the Chair in advance of any discussion. Depending on the nature of the potential interest, the member may be asked to absent themselves from the meeting during discussion of the business.

6.6 Where an interest has previously been declared and it is intended that an issue pertaining to that interest will be discussed by the Board of Management, the Chief Executive should advise that member, prior to the meeting, that there could be a conflict of interest. The member should either withdraw from part or all of that meeting.

6.7 Where an issue is being discussed by the Board of Management and a member realises there could be a conflict of interest; the member should withdraw from that part of the meeting.

## **Section 7 Breaches of the Group Governing Body Member Code of Conduct**

7.1 The Group Governing Body Member Code of Conduct provides guidance about actions which are likely to represent a breach of the Code, and the possible consequences.

7.2 In the event of an allegation being made that a Board member, or members, have acted in breach of the Group Governing Body Member Code of Conduct, the Board of Management will refer to Section 15 of the Group Governing Body Members Code of Conduct for direction.

## Section 8 Our positive action initiatives

### 8.1 Board of Management

- 8.1.1 The members of the Board of Management will be elected in accordance with the arrangements described in the Rules.
- 8.1.2 If there are vacant places on the Board of Management, the Board may decide to appoint co-opted members, as described in the Rules (Rule 39). Co-options will not be used to fill vacant places as a matter of routine.
- 8.1.3 Prospective co-optees must bring to the Board of Management life experience which will make the Board more representative of the local community and/or specific skills or knowledge which is relevant to our work.
- 8.1.4 Examples of individuals meeting the criteria for Co-optee might include:
- People from sections of the local population (of Argyll and Bute) which are under-represented on the Board;
  - Other people with relevant business, financial or professional expertise, regardless of their place of residence (within Argyll and Bute or outwith the area).
- 8.1.5 If an elected Board of Management member leaves the Board of Management, a casual vacancy will be created (to be filled by a member of the association).

### 8.2 Sub-committees

- 8.2.1 The membership of each sub-committee shall be decided by the Board of Management. The Board of Management may adjust sub-committee membership during the course of the year as necessary for the proper conduct of our business.
- 8.2.2 At the first meeting of each sub-committee, following the Annual General meeting each year, a Chair will be elected by the members of that sub-committee to chair meetings of that sub-committee. This excludes the Audit Committee whose Chair is appointed by the Board of Management.
- 8.2.3 All of the procedures set down at 8.2.1 - 8.2.2 above shall apply to the meetings of all sub-committees.

### 8.3 Admission of Members of the Public to Meetings

- 8.3.1 Members of the public who are interested in becoming Board members may attend meetings as observers, with the approval of the Board of Management. In the event that the Board members do not agree whether to allow an observer to attend, this shall be decided by a vote of the members present.
- 8.3.2 Members of the public who wish to make representations at a Board of Management meeting may do so, provided that they have notified the Chair in writing at least

twenty-four hours in advance of the meeting. The Chair may put a time limit on any part of the meeting open to the public.

#### **8.4 Voting and Decisions**

- 8.4.1 Where a motion is proposed and seconded by two Board members present at a meeting, and where another Board member indicates a direct negative, the matter shall be decided by vote of those Board Members present.
- 8.4.2 If a decision of a meeting is put to the vote, the outcome will be based on what the majority of members vote for. Voting will be by a show of hands except where a poll is requested or required (as per Rule 29).
- 8.4.3 The number of votes cast for and against the motion/or amendment shall be recorded in the minute, as shall the number of abstentions.
- 8.4.4 In the event of a tied vote, the Chair will have a second and casting vote in addition to his/her own vote. The Chairperson's announcement of the decision of a vote will be final and conclusive (as per Rule 31).
- 8.4.5 Any member may ask for his/her dissent from any motions or decisions to be recorded within the minute.
- 8.4.6 Resolutions duly moved and seconded, that do not attract a direct negative, shall be deemed passed without dissent.
- 8.4.7 Once minutes of a meeting have been approved, these along with any agreed amendments will represent a true record of the meeting and the decisions taken.
- 8.4.8 Decisions made by the Board of Management will stand on record for at least three months and will not be discussed, questioned or put to a second vote within that period unless there are exceptional circumstances and only then with the consent of two-thirds of those present.

#### **Section 9 Dealing with complaints**

- 9.1 During Board meetings, the Chairperson of the meeting is responsible for determining if a Board member, or a number of Board members, is/are acting in a way contrary to the Group Governing Body Member Code of Conduct.
- 9.2 The Chairperson, at his/her discretion, or in response to a request from another Board member, can censure a Board member, or members, on account of his/her/their behaviour at the meeting and request that the inappropriate behaviour ceases.
- 9.3 In the event of a failure to comply with such a request, or where the breach of the Code of Conduct, in the opinion of the Chairperson, is sufficiently serious, the Chairperson at his/her discretion, or in response to a request from another Board member, can propose a resolution to the Board that the member/or members in question be excluded from the remainder of the meeting.

- 9.4 Such a resolution, if seconded, will be voted on immediately by the remaining Board members who are not the subject of the resolution and shall be decided by a majority vote of such remaining members. If the motion is carried, the Board member or members concerned must then leave the meeting.
- 9.5 Any complaints made relating to a governing body member will be dealt with in line with section 15 of the Group Governing Body Members Code of Conduct

### **Section 10 Confidentiality and data protection**

- 10.1 To ensure equality of treatment amongst tenants and to protect their confidentiality, information presented at Board meetings shall not divulge personal information (such as name, address, property reference etc) relating to an individual tenant.
- 10.2 To ensure equality of treatment amongst staff and to protect their confidentiality, information presented at Board meetings shall not divulge personal information relating to an individual staff member.
- 10.3 To ensure equality of treatment amongst governing body members and to protect their confidentiality, information presented at Board meetings shall not divulge personal information (such as addresses, dates of birth or other personal details).
- 10.4 Board Members should ensure that confidential information acquired as a result of his/her position as a Board Member:
- is not disclosed to anyone, and
  - is not used for the personal advantage of either himself/herself or of others known to them.
- 10.5 Such use of confidential information would constitute a grave betrayal of trust and a serious breach of the Governing Body Member Code of Conduct.
- 10.6 Board of Management**
- 10.6.1 A minute of the Board of Management meeting will be taken by the Secretary. The Secretary may normally delegate this function to the P.A. to the Board of Management.
- 10.6.2 A Minute of the Board of Management meeting will be prepared as a draft and submitted to its next meeting for adoption.
- 10.6.3 Any member present at the relevant meeting may move the adoption of the minute (see item 10.9.1 below).
- 10.6.4 Once approved, and inclusive of any amendments, the final minute shall be retained as the official record for the Association.

**10.7 Business Conducted under Closed Session (reserved business)**

10.7.1 Where Board business is of a confidential nature, the business will be conducted in closed session and a separate confidential minute will be produced.

10.7.2 In the event that business is considered “reserved”, any member of the Board or member of staff present at the meeting may be required to absent themselves for the duration of the discussion of this business. Board members required to absent themselves during reserved business will be given the reason for this (if required).

10.7.3 If the agenda item directly concerns the Chief Executive and/or it would be inappropriate for him/her to be present, the Chief Executive will also withdraw from the meeting.

**10.8 Sub-committees**

10.8.1 Minutes of sub-committees will be taken by an employee.

10.8.2 Minutes of meetings of all sub-committees will be prepared as draft minutes and submitted for adoption to the first meeting of the relevant sub-committee held thereafter.

10.8.3 Any member present at the relevant sub-committee meeting may move the adoption of the minute (see item 10.9.1 below).

10.8.4 Once approved, minutes of sub-committee meetings will be reported to the next meeting of the Board of Management.

**10.9 All Meetings**

10.9.1 Only members in attendance for the full meeting may move adoption of the minute.

10.9.2 A motion for the approval of a minute of a meeting, or any part of such a minute will be considered as an original motion.

10.9.3 Any motion involving alteration or rejection of such a minutes shall be dealt with as an amendment.

**10.10 Circulation of Minutes**

10.10.1 Minutes from the previous Board meeting will be circulated to all members of the Board prior to the next meeting.

10.10.2 All minutes shall take the form of ‘draft minutes’ until they have been passed by the relevant Board or sub-committee.

10.10.3 All minutes subsequently passed/noted by the Board of Management shall be recorded as such and shall form the official record.

## **10.11 Public Access to Minutes**

10.11.1 All approved minutes will be available to anyone who wishes to see them and are available on the Association website, however:

- A separate minute will be produced for any items of business which have been discussed in closed session, because the item is confidential or commercially sensitive.
- Minutes of business discussed in closed session will only be available to Board members, and to any employee who needs to have access to the minutes to implement Board decisions.

## **Section 11 Office Bearers**

11.1 The Association shall have four office bearers elected from the Board of Management:

- Chairperson
- Vice Chairperson
- Secretary
- Audit Committee Chair

11.2 These office bearers shall be elected by the Board of Management at the first meeting of the Board following the Annual General Meeting. Candidates for the posts of office bearers require to be proposed and seconded by members of the Board.

11.3 The Secretary may or may not be a member of the Board of Management. In the event that there is more than one candidate for the post, a vote will be taken. In the event that the vote is tied, straws will be drawn.

11.4 Any matter out with the authority of Group officials, which requires urgent or immediate action, but which cannot wait until the next meeting may be referred to the Chair or Secretary for decision or in their absence, or unavailability, the Vice Chairperson or Chair of the appropriate sub- committee.

11.5 Any such matter and the action taken shall be reported to the first meeting thereafter.

## **Section 12 Remit of Chairperson**

12.1 The Chairperson is elected by the Board of Management from among its membership after each Annual General Meeting (AGM) to serve until the next AGM in terms of the Rules (Rule 55.1).

12.2 The general role of the Chairperson is to uphold the Rules of the Association, to defend the right of the members, to act as the main spokesperson and representative of the Group, and to sign official documents.

12.3 The Chair of the Board will preside at all meetings. In his/her absence, the Vice Chair will preside. In the event that both the Chair and Vice Chair are absent, the Board will elect one of their numbers to chair the meeting until either the Chair or Vice Chair is present.

- 12.4 The Chairperson has a major role in relation to the conduct of meeting of the Board of Management;
- 12.4.1 To preserve order and ensure each member has a fair hearing;
  - 12.4.2 To ensure that no member may speak more than once on any motion until certain every member has had an opportunity to speak;
  - 12.4.3 To impose a time limit on any business;
  - 12.4.4 To determine the order in which members may speak;
  - 12.4.5 To rule on any point of order unless challenged by at least three members and the challenge is endorsed by a vote of two-thirds of those members present;
  - 12.4.6 To ensure that proceedings operate within these Standing Orders;
  - 12.4.7 To ensure that time is spent on items of significance rather than on managerial minutiae;
  - 12.4.8 To allow or otherwise the discussion of items not to the agenda for any particular meeting.
- 12.5 The Chairperson may speak on any particular motion. However, where challenged as set out above, he/she may be required to leave the Chair until the matter has been dealt with.
- 12.6 The Chairperson has, in addition to his/her own vote, a casting vote in the event of a tie.
- 12.7 The Chairperson is an automatic member of sub-committees, with the exception of the Audit Committee. The Chairperson shall not, however, be entitled to election as Chair of a sub-committee.
- 12.8 In the event that a Board decision is required as a matter of urgency or emergency, the Chair may take this decision on behalf of the Board and report to the first meeting thereafter. If in the view of the Chairperson the matter in question is of major importance to the Association, the decision shall be referred to the Group's Office Bearers who are available within the required timescale. Any such decision shall be reported to the first meeting thereafter for ratification.
- 12.9 The Chairperson has power in an emergency situation to interpret the delegated authority functions of a sub-committee.

### **Section 13 Remit of the Vice Chairperson**

- 13.1 The Vice Chairperson is elected by the Board of Management from among its membership after each Annual General Meeting.
- 13.2 The general role of the Vice Chairperson is, in the absence of the Chairperson, to uphold the Rules of the Association, to defend the right of the members, to act as the main spokesperson and representative of the Group and to sign official documents.



13.3 The Vice Chairperson shall have the authority and responsibilities of the Chairperson in relation to the Group and specifically to the Board of Management in all respects in the temporary absence of the Chairperson. The Vice Chairperson shall not, however, be an automatic member of all sub-committees.

### **Section 14 Remit of the Secretary**

14.1 The Secretary shall be elected by the Board of Management at the first meeting following the AGM.

14.2 The general role of the Secretary is to ensure that the work of the Board of Management is properly conducted and to publicly represent the Group.

14.3 The formal duties of the Secretary are as set out within the Rules (Rules 65.3 and 65.4). The Board of Management have agreed however that some of the undernoted tasks shall be delegated to the Group Chief Executive and staff team on behalf of the Secretary. Delegated duties are noted;

- To call meetings;
- To prepare agendas;
- To keep minutes;
- To maintain register of members,
- To maintain seal register;
- To sign documents on behalf of the Group Secretary;
- To take charge of the Seal;
- To issue share certificates to new members;
- Ensure that statutory returns are made;

14.4 The Secretary is automatically a member of each standing sub-committee.

14.5 The Secretary has authority in an emergency situation to make decisions subject to reporting to the first meeting thereafter.

### **Section 15 Execution of Documents**

15.1 The association's Seal must be used in accordance with the Rules and only be used with the authority of the Board of Management (Rule 69).

15.2. The association must have a Seal kept by our Secretary in a secure place unless the Board decides that someone else should look after it. The Seal must only be used if the Board decides this. When the Seal is used, the deed or document must be signed by our Secretary or a Member of the Board and recorded in the register.

15.3 Deeds and other legal documents may be subscribed either:

- By the use of the association's Seal and signature by an authorised person
- By signature by an authorised person and witness



- 15.4 Where the Seal is used, the Board of Management's prior approval is required under the Rules. The deed or document should be signed by the Chairperson or Secretary. If an office-bearer is not available, the document may be signed by another Board of Management member.
- 15.5 Where signature and witnessing is used to execute documents, the document may be signed by any Board of Management member, or by a member of staff who has authority to do so under the Schedule of Delegated Authority and Financial Regulations.

## Section 16 Suspension of Standing Orders

- 16.1 These standing orders may be suspended if a resolution, supported by two thirds of Board of Management members, present and voting to this effect is passed.

## Section 17 Glossary of terms

<b>AGM:</b>	Annual General Meeting
<b>Association:</b>	Argyll Community Housing Association Limited (parent company)
<b>AHFA</b>	Argyll Homes for All (subsidiary company)
<b>Board:</b>	Board of Management of Argyll Community Housing Association Ltd. Maximum of 18 members including co-options, elected in accordance with Rules. Co-optees not to exceed one third of Board Membership.
<b>Code:</b>	Group Governing Body Member Code of Conduct.
<b>Chair or Chairperson:</b>	The Chair of the Association elected in accordance with the Rules.
<b>Delegated:</b>	Remitted with power to exercise a specified function on behalf of the remitting body.
<b>Group:</b>	Reference to Association plus subsidiary company
<b>Referred:</b>	Remitted for consideration and report but without the power to exercise any functions on behalf of the remitting body.
<b>Meeting:</b>	All meetings of the Board of Management including sub-committee meetings.
<b>Staff / employees:</b>	People directly appointed by Argyll Community Housing Association Limited.
<b>The Rules:</b>	Our governing document.

## Managing Board of Management Business

## Appendix 1

### Section 1. “Ordinary” Board of Management Meetings

These are normally held at least six times a year. These would be held every six weeks. A standing agenda has been established:

#### 1.1 Agenda:

- Apologies
- Minute of previous meeting
- Matters arising
- Minutes from established sub-committees
- Conflict of Interest declarations
- Correspondence
- Membership
- Chief Executive presentation
- Key Performance Indicator updates (quarterly)
- Monthly Investment update
- Notifiable events
- Non-routine business

#### 1.2 Board of Management “Strategic planning workshops”

These will be held at least twice a year, in February and October. The Board of Management will meet for a structured but less formal meeting.

1.2.1 The agenda for these workshop meetings would be:

- February – Two day session; Organisational Objectives for coming five years, including strategy and risk management.
- October – One day session; Half Yearly Progress Review

#### 1.3 Sub-committees

1.3.1 To consider all matters delegated by the Board of Management, such as audit, policy review, and other aspects of the activities of the Group as determined by their established Terms of Reference.

#### 1.4 Working Groups

1.4.1 These would be formed with a specific remit, authority and timescale – to consider a particular issue and to report back to the Board of Management with recommendations on a course of action.

1.4.2 These would comprise of a small number of members – between three and six, supported by members of the staff team or other advisers. Normally they would have a life of three to six months (excluding Area Committees whose requirements are contained within the Scheme of Delegated Authority, Audit Committee and Policy Committee).

## **1.5 Executive Committee**

1.5.1 The role of the Executive Committee is to provide support to the Chief Executive on any important decisions or business that needs to be conducted between Board of Management meetings and where a decision would normally be referred to the Board. It is proposed that the Executive Committee comprises the Office Bearers.

## **1.6 Area Committees**

1.6.1 Area Committees will have “ordinary meeting” at least four times a year as stipulated within the Scheme of Delegated Authority.

## **Section 2 Conduct of Board meetings**

2.1 Timing of Agendas – Prior to the circulation of an agenda and papers for Board of Management meetings, the Chief Executive and the Chair review the agenda for the meeting. They allocate timings for each item according to its relative importance. This should be done with a view to meetings being contained within **three** hours.

2.2 Board Papers - Officers should aim to restrict Board papers and reports to three pages (with further information provided as appendices). Papers should summarise the issue to be considered by the Board and provide a clear recommendation on the decisions to be taken.

## Board of Management Remit

## Appendix 2

1.1 The strategic role of the Board of Management is to determine the direction, objectives and policies of the Group. The key functions of the Board of Management are to:

- Attend meetings on a six weekly basis;
- Attend strategic planning events twice yearly;
- Commit to and attend training;
- Complete a self-evaluation exercise annually;
- Comply with the Association's Rules;
- Set and meet the aims and objectives of the Group;
- Approve policies and plans to achieve those objectives;
- Approve each year's budget, corporate strategic management plan and accounts prior to publication;
- Establish and oversee frameworks for delegation, control and risk management;
- Agree policies and make decisions on matters that might create significant financial or other risk to the Group, or which raise material issues of principle;
- Monitor the Group's performance in relation to these plans, budgets, controls, and decisions, in the light of feedback from tenants and other stakeholders;
- Appoint (and if necessary dismiss) the Chief Executive, Directors and Regional Managers;
- Ensure that affairs are conducted lawfully, in accordance with the Rules, and in accordance with Scottish Social Housing Charter, Regulatory Standards of Governance and Financial Management, and other regulatory expectations;
- Approve the Group Governing Body Member Code of Conduct;
- Ensure that members comply with the Governing Body Member Code of Conduct;

1.2 Notwithstanding the Board of Management's delegation of its powers to sub-committees and staff members, the following specific matters are reserved to the Board of Management for approval and decision:

- Appointment of Board members (co-options and casual vacancies);

- Appointment of the Chair, Vice Chair, Secretary of the Group and Audit Committee Chair;
- Removal of Board members under the Association's Rules;
- To approve ACHA's annual operating budget including the major works programme;
- To approve variations to ACHA's annual operating budget in line with ACHA's budget virement procedure;
- To receive reports on financial performance (on at least a quarterly basis);
- To approve ACHA's Annual Statutory Accounts for presentation to members ;
- To receive the Auditor's Management Letter and Internal Audit reports and take appropriate action;
- To agree annual ACHA manpower budget and costs;
- To appoint, remunerate, compensate and dismiss the Group Chief Executive and other members of the Group Senior Management Team (Directors and Regional Managers);
- To agree performance management arrangements for the Group Chief Executive;
- To agree annual payment levels for Group staff members, following Remuneration Sub-committee review;
- To agree the staffing budget annually for ACHA following Remuneration Sub-committee review;
- To approve major organisational structure changes;
- Any matter referred to the Board of Management by a General Meeting;
- Reference of a matter to a General Meeting;
- The approval of ACHA's development and management plans for example, the Strategic Plan and Business Plan;
- To approve any matter requiring a decision of the Board as detailed in our Rules, Partnership, Service and Funding Agreements;
- The approval of protocols for managing decision making, relationships;
- To lead the assessment of Group risk;
- Approval of the annual accounts prior to the Annual General Meeting;

- Meet legal and regulatory requirements;
- The approval of any matter, which is considered to be of a significant or sensitive nature including the three yearly review of benefits permitted by the Group Payment and Benefit Policy;
- Comply with Group Schedule of Delegated Authority and Financial Regulations;
- Be aware of matters which would result in major changes in, or departure from, the policy of the Group;
- Extension or reduction of the Group`s activities;
- Set up or close down sub-committees or area committees and delegation to them;
- Approval and amendment of all governance policies, including these Standing Orders and the Group Schedule of Delegated Authority and Financial Regulations, Scheme of Delegated Authority and Governing Body Succession Strategy;
- Decide on the policy of the Group on matters which do not fall within the remit of sub-committees or Area Committees;
- Any other matter reserved to the Board of Management in terms of the Rules or these Standing Orders;

# Audit Committee Terms of Reference

## ***Our commitment***

*The Argyll Community Housing Association Group is committed to providing equal opportunities across all services and to avoid discrimination. This document is intended to assist the ACHA group put this commitment into practice. Compliance with this document should also ensure that governing body members and employees do not commit unlawful acts of discrimination.*

***This document can be made available in other formats, for example in large print, audio-format or Braille: the document may also be available in other languages, in full or summary form, as appropriate.***

## **Contents Page**

Section 1 -	Context
Section 2 -	The law and good practice
Section 3 –	Our objectives
Section 4 -	Implementing our objectives through delegation
Section 5 -	Role of the Audit Committee
Section 6 -	Membership
Section 7 -	Meetings
Appendix A -	Abbreviations and definitions



## **Section 1 Context**

1.1 The Audit Committee is a sub-committee of the Board of Management of Argyll Community Housing Association Ltd (ACHA), established to consider all matters relating to the financial and audit aspects of the activities of the group.

## **Section 2 The law and good practice**

2.1 The Audit Committee require to undertake such duties as are defined within the Scottish Housing Regulator`s (SHR) Regulatory Standards of Governance and Financial Management and other Guidance.

### **Regulatory Standards:**

Standard 4.3 The governing body identifies risks that might prevent it from achieving our purpose and has effective strategies and systems for risk management and mitigation, internal control and audit.

Standard 4.5 We have an internal audit function. The governing body ensures the effective oversight of the internal audit programme by an audit committee or otherwise. We have arrangements in place to monitor and review the quality and effectiveness of internal audit activity, to ensure that we meet our assurance needs in relation to regulatory requirements and the Standards of Governance and Financial Management. Where there isn`t an audit committee, alternative arrangements must be in place to ensure the function normally provided by a committee are discharged.

Standard 4.6 The governing body has formal and transparent arrangements for maintaining an appropriate relationship with our external auditor and the internal auditor.

### **Constitutional Requirements:**

Requirement 3 There is a system for keeping accounts and ensuring an independent audit by an appropriately qualified person. There is a proper procedure for appointing an auditor. The governing body should take whatever measures are necessary to ensure the continuing independence of the auditor including periodic review of the need for audit rotation. We must send a copy of our accounts and the auditor`s report to us within six months of the end of the period to which they relate.

## **Section 3 Our objectives**

3.1 To provide assurance to the Board of Management on the effectiveness of the system of internal controls by reviewing the comprehensiveness and reliability of arrangements to ensure an appropriate system of internal controls, effective risk management, the integrity of financial statements and the prevention and detection of fraud.

3.2 To take decisions relating to audit as are consistent with agreed policies and Standing Orders or are as otherwise specifically delegated by the Board of Management.

- 3.3 To report the taking of such decisions and to present such other recommendations as are considered appropriate to the Board of Management.

## **Section 4 Implementing our objectives through delegation**

- 4.1 The delegated authority granted to the Audit Committee, under this terms of reference, shall be exercised in accordance with any written instructions which may be given by the Board of Management from time to time and these terms of reference may be varied at any time by the Board of Management.
- 4.2 The Chair of the Audit Committee shall have delegated authority and be authorised to deal, on behalf of the Audit Committee, with any matter which may arise between ordinary meetings of the committee on which urgent action requires to be taken prior to the next meeting of the Committee and which cannot reasonably be dealt with at any supervening meeting of the Board of Management. All actions taken under such authority shall be reported to the next meeting of the Audit Committee and the Board of Management.

## **Section 5 Role of the Audit Committee**

### ***5.1 Monitoring the integrity of the financial statements***

- 5.1.1 Ensuring appropriate plans are in place for preparation of the financial statements
- 5.1.2 Reviewing the key judgements made in preparation of the financial statements
- 5.1.3 Reviewing the unaudited and audited financial statements
- 5.1.4 Reviewing the external auditors report on the financial statements
- 5.1.5 Recommending approval or otherwise of the financial statements to the Board

### ***5.2 Reviewing the effectiveness of the system of financial and internal controls***

- 5.2.1 Reviewing the audit and risk analysis
- 5.2.2 Approval of the internal audit plan
- 5.2.3 Approval of the external audit plan
- 5.2.4 Considering reports by the internal auditor on each internal audit review
- 5.2.5 Considering reports by the external auditor
- 5.2.6 Considering assurance statements prepared by management
- 5.2.7 Monitoring implementation of internal and external audit recommendations
- 5.2.8 Considering the internal auditors annual report
- 5.2.9 Reviewing the draft statement on internal controls

### ***5.3 Internal audit***

- 5.3.1 Reviewing the effectiveness of internal audit
- 5.3.2 Recommending the scope and terms and conditions of internal audit
- 5.3.3 Overseeing the tendering of internal audit and making a recommendation on the proposed internal auditor to the Board of Management
- 5.3.4 Considering any contract extension for internal audit.
- 5.3.5 Considering the removal of the internal auditor if so required.

#### **5.4 External audit**

- 5.4.1 Reviewing the effectiveness of external audit including their independence and objectivity
- 5.4.2 Recommending the scope and terms and conditions of external audit
- 5.4.3 Overseeing the tendering of external audit and making a recommendation on the proposed external auditor to the Board for presentation to the membership.
- 5.4.4 Recommending to the Board any proposed contract extension for external audit.
- 5.4.5 Recommending to the Board the annual reappointment or removal of the external auditor.
- 5.4.6 Agreeing the policy and any proposals for engaging the external auditor to supply non audit services.

#### **5.5 Reporting to the Board of Management**

- 5.5.1 Submitting to the Board an annual report summarising the work of the committee over the year and its opinion on the effectiveness of the system of internal controls and any other relevant or significant matters.
- 5.5.2 Reporting to the Board on any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

#### **5.6 Other activities**

- 5.6.1 Monitoring loan covenant compliance
- 5.6.2 Review of SHR financial returns
- 5.6.3 Scrutiny committee for treasury management
- 5.6.4 Approving write off of bad debts

### **Section 6 Membership**

- 6.1 The Membership of the Audit Committee shall be determined by the Board of Management and shall be a minimum of five members.
- 6.2 The Chair of the Audit Committee shall be appointed by the Board of Management and shall be classed as an Office Bearer of the Association.
- 6.3 The Chair of the Board of Management may be an ex- officio member of the Committee but shall not be eligible to be the Chair.
- 6.4 In appointing Members, it will be the policy of the Board of Management to take all practical steps to include in its membership individuals having recent or relevant financial experience.
- 6.5 On occasion, it may be necessary to co-opt members with relevant skills, to assist the committee

## **Section 7 Meetings**

- 7.1 The Audit Committee will meet at least four times in each year. The quorum at meetings of the Audit Committee shall be three members.
- 7.2 The Group Governance & Compliance Manager, or a suitable deputy shall be in attendance at each meeting of the Audit Committee and shall keep a full Minute of each Meeting and the Minutes and proceedings of committee shall be reported to the Board of Management. Any matters requiring formal approval by the Board of Management will be clearly identified in the minutes of the Audit Committee meeting.
- 7.3 The Chief Executive and/or the Director of Finance & I.T or suitable deputy will attend each meeting of the Committee.
- 7.4 The Committee shall be convened by written notice from the Secretary to the Committee giving not less than seven days' notice.

## **Abbreviations and Definitions**

## **Appendix A**

ACHA	Argyll Community Housing Association Group
Executive	Employee of the Group
Non-executive	Governing Body Member
RSL	Registered Social Landlord
SHR	The Scottish Housing Regulator

# Policy Committee Terms of Reference

## ***Our commitment***

*The Argyll Community Housing Association Group is committed to providing equal opportunities across all services and to avoid discrimination. This document is intended to assist the ACHA group put this commitment into practice. Compliance with this document should also ensure that governing body members and employees do not commit unlawful acts of discrimination.*

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## Section 1 Terms of Reference

- 1.1 To consider all matters relating to association and group policy (the system of principles that guide the management of the association and group).
- 1.2 To take such decisions relating to all policy matters as are consistent with the association's Rules, agreed policies and Standing Orders or are as otherwise specifically delegated by the Board of Management.
- 1.3 To report the taking of such decisions and to present such other recommendations as are considered appropriate to the Board of Management.

## Section 2 Delegation to the Policy Committee

- 2.1 The Policy Committee is a sub-committee of the Board of Management of Argyll Community Housing Association Ltd. The powers granted to the Policy Committee under these terms of reference shall be exercised in accordance with any written instructions which may be given by the Board of Management, from time to time, and these terms of reference may be varied at any time by the Board of Management.

## Section 3 Role of the Policy Committee

- 3.1 To provide supervision, control implementation and review the association and group policies on a programmed basis and ensure that the policies:
  - Comply with the commitments made to tenants by Argyll Community Housing Association;
  - Comply with the Scottish Governments Scottish Social Housing Standards;
  - Comply with requirements set out by the Scottish Housing Regulators Standards of Governance and Financial Management;
  - Monitor and review the association and Group policy review programme;
  - Oversee all matters relating to policy development;
  - Are recorded and monitored effectively and efficiently.

## Section 4 Delegated Authority

- 4.1 The Policy Committee shall have full delegated authority to carry out its role detailed above. The Chief Executive, in consultation with the Chair of the Policy Committee shall have delegated authority and be authorised to deal on behalf of the Policy Committee with any matter which may arise between ordinary meetings of the committee on which urgent action requires to be taken prior to the next meeting of the committee and which cannot reasonably be dealt with at any supervening meeting of the Board.
- 4.2 All actions taken under such authority shall be reported to the next meeting of the Policy Committee.

- 4.3 The Chair has the authority to decide whether policies require to be evaluated electronically, or whether the policy can wait until the annual meeting for evaluation.

### Section 5 Membership

- 5.1 The Membership of the Policy Committee shall be determined by the Board of Management and shall have three members with additional members contributing depending on the policies being submitted by officers for either implementation or review.
- 5.2 The Chair of the Board of Management of the Group may be an ex- officio member of the Committee but shall not be eligible to be the Chair.
- 5.3 One month prior to the programmed meetings a paper will be submitted to the Board of Management to establish the proposed programme of the forthcoming Policy Meeting.
- 5.4 In appointing members, it will be the responsibility of the Board of Management to take all practical steps to include in its membership individuals having relevant experience.

### Section 6 Meetings

- 6.1 The Policy Committee will meet at least once each year. The quorum at meetings of the Policy Committee shall be **three** members (excluding co-optees) and no maximum membership limit will be set.
- 6.2 The Group Governance and Compliance Manager, or delegated representative, shall be in attendance at each meeting of the Policy Committee and shall keep full minutes of each meeting and the minutes and proceedings of Committee shall be reported to the next meeting of the Board of Management.
- 6.3 Any matters requiring formal approval by the Board of Management will be separately identified in the report made to the Board. The Chief Executive will normally attend each meeting of the committee. The committee shall be convened by written notice from the Secretary to the committee giving not less than seven days' notice.

# Ad-hoc Committee Terms of Reference

## ***Our commitment***

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## **Section 1 Context**

- 1.1 The Ad-Hoc Committee is a sub-committee of the Board of Management of Argyll Community Housing Association Ltd (ACHA) to consider any elements of business, by exception, which may arise from time to time.

## **Section 2 The law and good practice**

- 2.2 The Ad-Hoc Committee require to undertake such duties as required by the Scottish Housing Regulator`s Scottish Social Housing Charter, Governance and Financial Management Regulatory Standards and other guidance:

### 2.2.1 Charter Standard 1 – Equalities

Social landlords perform all aspects of their housing services so that - Every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services.

### 2.2.2 Regulatory Standard 2 –

Standard 2 - The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is sustainable achievement of these priorities

Standard 2.2 The governing body recognises it is accountable to our tenants, and has a wider public accountability to the taxpayer as a recipient of public funds, and actively manages our accountabilities.

### 2.2.3 Constitutional Requirement 5 –

There is a procedure for dealing with disputes on matters contained within the constitution.

## **Section 3 Our objectives**

- 3.1 To take decisions relating to any objective highlighted as requiring consideration, investigation or review in compliance with our agreed policies and Standing Orders, or are as otherwise specifically delegated by the Board of Management.
- 3.2 To report the taking of such decisions, or actions, and to present such other recommendations as are considered appropriate to the Board of Management.

## **Section 4 Implementing our objectives through delegation**

- 4.1 The delegated powers granted to the Ad-Hoc Committee, under these terms of reference, shall be exercised in accordance with any written instructions which may be given by the Board of Management from time to time and these terms of reference may be varied at any time by the Board of Management.
- 4.2 The Ad-Hoc Committee shall have full delegated authority to carry out its role detailed above. The Chief Executive, in consultation with the Chairperson of the Board of

Management shall have delegated authority and be authorised to activate the Ad-Hoc Committee with any matter on which urgent action requires to be taken.

- 4.3 These may be issues such as complaints relating to governing body members or senior staff members, HOME Argyll complaint appeals, and any other unspecified issues which are out with the Terms of Reference for other committees formed by the Board of Management.
- 4.4 All decisions taken under such authority shall be reported to the next meeting of the Board of Management.

## **Section 5 Role of the Ad-Hoc Committee**

5.1 The scope of the committee is wide and varied and the committee will be called upon when required:

- Ensuring that (the Group) complies with the commitments made to tenants and the Scottish Governments Scottish Social Housing Charter;
- Ensuring that (the Group) complies with the Scottish Housing Regulators Regulatory Standards of Governance and Financial Management;
- Undertaking investigations following any complaints relating to governing body members;
- Procure the services of external assistance as required;
- Ensuring investigations are undertaken following any complaints relating to the Chief Executive;
- Ensuring investigations are undertaken following any complaints relating to senior staff members in liaison with the Chief Executive;
- Ensuring breaches of the Governing Body Member Code of Conduct are actively investigated and relevant action taken;
- Hearing any appeals in relation to the HOME Argyll Allocations Policy;
- Undertaking any investigations, reviews or hearings as deemed necessary

## **Section 6 Membership**

- 6.1 The Membership of the Ad-Hoc Committee shall be determined by the Board of Management and shall be a minimum of three members who shall comprise four Office Bearers plus one other.
- 6.2 The Chair of the Board of Management of the Group may be an ex- officio member of the Ad-Hoc Committee but shall not be eligible to be the Chair.

- 6.3 The Chair of the Ad-Hoc Committee shall be appointed by the Ad-Hoc Committee members.

## **Section 7 Meetings**

- 7.1 The Ad-Hoc Committee will meet as and when required. The quorum at meetings of the Ad-Hoc Committee shall be three members.
- 7.2 A member of the Corporate Services department shall be in attendance at each meeting of the Ad-Hoc Committee and shall keep a full Minute of each meeting. The Minute and proceedings of the Ad-Hoc Committee shall be reported to the Board of Management.
- 7.3 Any matters requiring formal approval by the Board of Management will be separately identified. The Chief Executive, and/or the delegated person, will normally attend each meeting of the committee. The committee shall be convened by written notice giving not less than seven days' notice.

## Remuneration Committee Terms of Reference

### ***Our commitment***

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Section 3 –	Role of the Remuneration Committee
Section 4 -	Delegation of Powers
Section 5 -	Membership
Section 6 -	Meetings
Appendix A	The Law and Good Practice

## Section 1 Context

- 1.1 The Remuneration Committee is a sub-committee of the Board of Management of the Argyll Community Housing Association Ltd Group (ACHA), established to consider all matters relating to staffing structure, staff salary levels and related issues within the ACHA Group in line with the Scottish Housing Regulators `Regulatory Standards of Governance and Financial Management` (see Appendix A).

## Section 2 Terms of Reference

- 2.1 To consider all matters relating to staffing structure, salary levels and related issues within the ACHA Group and to make appropriate recommendations to the Board of Management for their approval.
- 2.2 To conduct a review of salary levels, structure and related issues every two years.
- 2.3 In accordance with the group Remuneration Strategy; to carry out a re-grading review if job roles within the ACHA Group have significantly changed.
- 2.4 To conduct an annual across the board salary review for all Group staff.

## Section 3 Role of the Remuneration Committee

- 3.1 To make recommendations to the Board of Management for their approval on policies and the provision of supervision and control of all salary levels, structures and related matters of the ACHA Group.
- 3.2 To make recommendations as are consistent with the Group`s agreed policies and Standing Orders or as otherwise specifically delegated by the Board of Management.

## Section 4 Delegation of Powers

- 4.1 The delegated authority granted to the Remuneration Committee, under this terms of reference, shall be exercised in accordance with any written instructions which may be given by the Board of Management from time to time and these terms of reference may be varied at any time by the Board of Management.
- 4.2 The Chair of the Remuneration 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 committee on which urgent action requires to be taken prior to the next meeting of the Committee and which cannot reasonably be dealt with at any supervening meeting of the Board of Management. All actions taken under such authority shall be reported to the next meeting of the Remuneration Committee and the Board of Management.

## Section 5 Membership

- 5.1 The membership of the Remuneration Committee shall consist of four Office Bearers and is able to co-opt three further members of the Board.

- 5.2 The Chair of the Board of Management of the Group may be an ex-officio member of the Ad-Hoc Committee but shall not be eligible to be the Chair.
- 5.3 The Chair of the Remuneration Committee shall be appointed by the Board of Management of ACHA.
- 5.4 In appointing members, it will be the policy of the Board of Management to take all practical steps to include in its membership individuals having relevant experience.

### **Section 6 Meetings**

- 6.1 The Remuneration Committee will meet as required by the tasks imposed upon it.
- 6.2 The quorum at meetings of the Remuneration Committee shall be three members.
- 6.3 The HR and Training Manager shall be in attendance at each meeting of the Remuneration Committee and shall keep full Minutes of each meeting.
- 6.4 The Minutes and Proceedings of the Committee shall be reported to the next meeting of the Board of Management. Any matter requiring formal approval by the Board of Management will be separately identified in the report made to the Board of Management. The Chief Executive / or Director of HR and Corporate Services may be invited to meetings, from time to time, to provide information as requested by the Committee.
- 6.5 The Committee shall be convened by written notice from the Secretary to the Committee giving not less than seven days' notice.
- 6.6 Meetings should not last more than three hours as per Rule 37 of the Rulebook.

## The Law and Good Practice

1. The Remuneration Committee require to undertake such duties as required by the Scottish Housing Regulator's `Regulatory Standards of Governance and Financial Management` and recommended practice.
2. The Scottish Housing Regulators `Regulatory Standards of Governance and Financial Management` stipulate that;

Regulatory Standard 1.2 - The RSL's governance policies and arrangements set out the respective roles, responsibilities and accountabilities of governing body members and senior officers, and the governing body exercises overall responsibility and control of the strategic leadership of the RSL.

Regulatory Standard 2.2 - The governing body recognises it is accountable to our tenants, and has a wider public accountability to the taxpayer as a recipient of public funds, and actively manages our accountabilities.

Regulatory Standard 3.1 - We have effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. We ensure security of assets, the proper use of public and private funds, and access to sufficient liquidity at all times.

Regulatory Standard 3.4 - The governing body ensures financial forecasts are based on appropriate and reasonable assumptions and information, including information about what tenants can afford to pay and feedback from consultation with tenants on rent increases.

Regulatory Standard 3.6 - The governing body ensures that employee salaries, benefits and pension offerings are at a level that is sufficient to ensure the appropriate quality of staff to run the organisation successfully, but which is affordable and not more than necessary for this purpose.

Regulatory Standard 4.1 - The governing body ensures it receives good quality information and advice from staff and, where necessary, expert independent advisers, that is timely and appropriate to its strategic role and decisions. The governing body is able to evidence any of its decisions.

Regulatory Standard 5.1 - The RSL conducts its affairs with honesty and integrity and, through the actions of the governing body and staff, upholds the good reputation of the RSL and the sector

Regulatory Standard 5.5 - The governing body is responsible for the management, support, remuneration and appraisal of the RSL's senior officer and obtains independent, professional advice on matters where it would be inappropriate for the senior officer to provide advice



3. The Scottish Housing Regulators `RSL Senior Officer Remuneration - November 2012 – Recommended Practice` stipulates that the governing body will;
  - 3.1 Establish a formal and transparent policy and process to determine the appropriate remuneration for the senior officer and to ensure that its working relationship with the senior officer is managed appropriately.
  - 3.2 The remuneration package should be set to get the best value for money at a level to attract and retain a suitably skilled and experienced senior officer to lead the organisation effectively.
  - 3.3 Know about salary scales in the sector otherwise the organisation may end up overpaying or underpaying its senior officer. Having access to up-to-date and relevant salary data will give the governing body a realistic, informed view of the market.
  - 3.4 The governing body should use such comparisons carefully and appropriately.
  - 3.5 Be aware of the potential risk to an RSL's reputation, and that of all RSLs, if payments are perceived to be excessive; by being significantly more than the salary in comparable RSLs and/or disproportionate to the management costs of the organisation.
  - 3.6 Consider the negative effect on staff morale of creating a large gap between a senior officer's pay and benefits and that of other staff in the organisation. The governing body should not consider the remuneration of its senior officer in isolation from its staff remuneration structure.
  - 3.7 Ensure no member of staff is involved in deciding his/her own remuneration.
  - 3.8 Consider the use of appropriate metrics to compare among RSLs, and as a way to describe and report on remuneration to tenants and others, for example:
    - 3.8.1 the senior officer pay per house managed; or
    - 3.8.2 pence per pound of income spent on the senior officer's remuneration; or
    - 3.8.3 the senior officer's remuneration as a multiple of a typical employee within the RSL.