

# Board Terms of Reference

## 1.1. Core functions

- a) To define and ensure compliance with the values and objectives of the company.
- b) To review and agree the Company's Business Plan on an annual basis.
- c) To establish a framework for approving strategies, policies and plans to achieve those objectives and approve material or significant changes to existing policies delegated to Committees.
- d) To establish and oversee a framework of delegation and systems of control.
- e) To agree strategies, plans and policies and make decisions on all matters that create significant financial risk to the company or which affect material issues of principle.
- f) To monitor the company's performance in relation to these plans, budget controls and decisions, including customer feedback and the performance of comparable organisations.
- g) To appoint (and if necessary remove) the Chief Executive/Executive Team and determine their salary levels and conditions of service.
- h) To satisfy itself that the company's affairs are conducted in accordance with generally accepted standards of performance and propriety.
- i) To take appropriate professional advice.
- j) To ensure legal, constitutional and regulatory compliance.
- k) To promote and demonstrate good governance.
- l) To elect (or if necessary remove) the Chair and Vice-Chair of the Board.
- m) To ensure that an annual appraisal of all Board Members is undertaken by the Chair.
- n) To annually review the board's own strengths and weaknesses to approve training programmes and ensure continuing effectiveness.

## 1.2. Finance and Corporate Matters

- a) To approve the annual budget before the start of the financial year, and receive monthly management accounts.
- b) To approve annual accounts for presentation to the annual general meeting.
- c) To consider the annual audit report and approve the response (if any) to the External Auditor's Management Letter.
- d) To monitor compliance with loan covenants.
- e) To set rent levels.
- f) To ensure that adequate finance is available in order to achieve Business Plan objectives.
- g) To ensure that the company provides safe and healthy working conditions for its employees and that its activities do not adversely affect the health and safety of employees and others.

### 1.3. Housing and Property Services

- a) To approve a planned maintenance programme for reinvestment in existing properties, giving consideration to any stock condition surveys for meeting and continuing to meet the Scottish Housing Quality Standard.
- b) To instruct and receive a Stock Condition Survey from suitably qualified chartered surveyors.
- c) Through receipt of monthly reports, to monitor performance in relation to housing management and repairs and maintenance, including customer satisfaction and complaints.
- d) To receive an annual performance report on approved contractors.
- e) To select, appoint and monitor the progress of a suitably qualified contractor to assist the company discharge its obligations under the Gas Safety Regulations.
- f) With the exception of Right to Buy sales, acquisition or disposal of land or property must be approved by the Board.

### 1.4. Legal

- a) The company must remain solvent.
- b) The company must always act within its powers.

### 1.5. Regulatory

The Board is responsible for ensuring compliance with the Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management.

### 1.6. Significant Matters

- a) Consider and approve significant matters specifically reserved for the Board's decision, which are not elsewhere delegated including:
- b) Expansion of the organisation's operations into new activities or geographic areas.
- c) Any decision to cease a material part of the organisation's operations.
- d) Changes to corporate structure, including potential mergers or the setting up of subsidiaries.
- e) Approval of resolutions put forward by the Board at a general meeting.
- f) Changes to the structure, size or composition of the board.
- g) Appointments to the boards of subsidiaries or other organisations.
- h) Approval of key policies, including the Code of Conduct for governing body members and staff.

### 1.7. Short-term Working Groups

From time to time the Board may agree that members can be delegated specific projects to develop specific areas that are within the Board's responsibilities. These short-term working groups would report back directly to the board.

## 1.8. Fair Treatment and Equality of Opportunity

The Board has responsibility for ensuring that all its policies and operations embrace diversity and promote equality of opportunity to all, irrespective of race, gender, disability or any other characteristic which might identify or group people. It is of great importance that Board Members are committed to the company's ethos of promoting equality and diversity principles and practices.

## 1.9. Litigation

Approval of any action for litigation where the legal costs cannot be contained within the budget or where the damage, loss or risk of loss exceeds £50,000.

## 1.10. Risk Management

To create the structures and the environment for risk management to operate effectively, satisfying itself that risk is managed effectively. The risk of any new initiative or changes in business or the business environment should be actively considered.

## 1.11. Signatories

The Board must decide which staff and members of the Board are able to sign cheques and other documents on behalf of the Company. This is included in the Financial Regulations and will be reviewed in accordance with this document.

## 1.12. Liabilities

The Company will insure against liabilities that Board Members may incur through negligence or incorrect professional advice. Generally, individual Board Members will not incur personal liability if the Memorandum and Articles of Association of the Company and the law have not been broken.

## 1.13. Legal Advice

Normally, senior staff will obtain legal advice about Company matters and where relevant report to the Board. Occasionally members of the Board may wish to seek legal advice about Company business direct from the Company's solicitors. This is permissible. Members who feel they need to do this should either contact the Chief Executive or Chair prior to seeking that advice. Where this has been agreed by either the Chair or the Chief Executive, the costs of such advice will be met by the Company.

## 1.14. Continuous Improvement

The Board should take the lead in ensuring that the Company is striving for continuous improvement in service delivery.

## **2. Board Membership**

2.1. Qualification for membership of the Board is as set out in Qualifications for Membership contained within the company's Articles of Association.

- 2.2. Should membership of the Board fall below 7 members, the Board cannot act for longer than two months, with the only power the Board shall have to act thereafter, being to bring the membership up to 7.

### **3. Board Meetings**

- 3.1. The Board will meet at least six times per annum.
- 3.2. The Agenda for each meeting will be set by the Chair of the Board in consultation with the Executive Team and will be circulated to all Board Members. Any Board member wishing to make a submission for the agenda can do so through the Chair.
- 3.3. An administrator will minute the proceedings and resolutions of all meetings of the board, including recording the names of those present and in attendance.
- 3.4. The board will be provided with appropriate secretariat support as required.
- 3.5. The board shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and these will be minuted.
- 3.6. Board Members will receive copies of any committee meetings at the next Board meeting following the meeting of the committee, for noting.
- 3.7. Board Members shall be notified of all committee meetings for information and may not necessarily attend unless a member of that committee, or invited to or wish to do so, albeit only members of any committee will have voting powers.
- 3.8. Meetings will be run in accordance with the Articles of Association and Standing Orders of the company.