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| **TERMS OF REFERENCE OF THE BOARD**  |
| **Effective Date:** | July 2021 |
| **Date Last Reviewed:** | July 2021 |
| **Scheduled Review Date:** | July 2023  |
| **Author:** | Richard Renwick, CEO |
| **Approved by:** | Board |

1. **Constitution and Membership**
* 12 members including co-optees (Rule D2), with one-third retiring at each AGM.
* Members have the right to remain on the board for up to six years comprising two terms of three years each. At the end of the first term board members are required to stand for re-election.
* In addition, after the end of the second term members have the right to be re-elected each consecutive year up to a maximum nine years.
* As agreed by the Board, quorum will be 5members excluding co-optees (Rule D15).
* Any vacancies on the Board will be filled by election at the AGM from candidates in line with its Rules.
* The Chief Executive and other Executives will normally be in attendance at meetings.
* Other officers can be requested to attend by the Chief Executive.
* The Board shall formally meet at least six times per year.
* In addition, the Board shall meet at least once annually separately to plan the future business of the Association known as the ‘away weekend’.
1. **Responsibilities**

The board shall have the following responsibilities:

* Define and ensure compliance with the values, mission and strategic objectives of the Association, ensuring its long-term success.
* Establish a framework for approving strategies, policies and plans to achieve those objectives and delegate from time to time authorities to committees and the Chief Executive which shall not contravene reserved powers listed in 3 below.
* Approve the annual budget, business and corporate plans including annual KPI targets and development strategy.
* Establish and oversee systems of internal control, which are reviewed annually.
* Monitor the Association’s performance in relation to these strategies, plans, budget, controls, KPIs and decisions.
* Ensure compliance with the Regulator of Social Housing (RSH) Governance and Viability Standards.
* Satisfy itself as to the integrity of financial information and approve each year’s accounts prior to publication.
* Establish and oversee a framework for the identification, management and reporting of risk, in order to safeguard the assets of the Association including risk appetites and tolerances and ensure that where review of risk strategies are delegated to committees that these reviews are carried out and reported to the Board via the Audit & Risk Committee.
* Agree or ratify policies and decisions on all matters that might create significant financial or other risk to the Association or which raise material issues of principle.
* Establish and monitor a mechanism for communicating and receiving feedback from the Association’s stakeholders and shareholders.
* Establish a strong working relationship with the Chief Executive and other senior staff.
* Appoint (and, if necessary, dismiss) the Chief Executive following agreed procedures, and approve his or her salary, benefits and terms and employment.
* Satisfy itself that the Association’s affairs are conducted lawfully and in accordance with generally accepted standards of performance, probity, good practice and RSH regulatory requirements and standards.
* Satisfy itself that the Association is following the recommendations of the NHF Code of Governance and state compliance and non-compliance in its review and accounts.
* Follow the Association’s Rules in appointing (and, if necessary, removing) the Chair of the board.
* Establish a code of conduct and monitor the behavior for the board in compliance with the code.
* Review the membership, performance and effectiveness of the Board and Committees on an annual basis.
* Approve applications for the shareholding membership of the Association.
* Establish ad hoc, time-limited Working Parties to examine in more detail matters which it considers warrant such attention.
* Receive and review minutes of each Committee meeting
* Receive regular reports (written or verbal) from Committee Chairs on the work of their Committee.
* Take appropriate professional advice.
* Take lead overall responsibility for the implementation of the Association’s Environmental Sustainability Strategy.
1. **Reserved Powers**

In addition to the above, the Board will have the following reserved powers which will not be delegated to executive staff or committees:

* Expansion of the Association’s operations into new activities or geographic areas.
* Cessation of any material part of the Association’s operation.
* Approval of any loan funding for the Association.
* Approval of the Association’s annual accounts.
* Approval of major capital projects such as new housing developments.
* Ensuring compliance with the Governance and Viability Standards published by the Regulator of Social Housing
* Changes to corporate structure, including the setting up of subsidiaries.
* Appointments to the Boards of any subsidiaries.
* Changes to the structure, size and composition of the Board.
* Appointment or removal of any member of the Board including the company secretary.
* Ensuring adequate succession planning for Board and senior management appointments.
* Changes to the reserved powers for Board decision.
* Approval of identified key policies, including a code of conduct for Board members.
* Approval of resolutions to be put forward by the Board at a general meeting.
* Any decision regarding conflicts of interest arising for individual Board members.
* Approval of the terms of reference, membership and the Chairs of committees and working parties.
1. **The Committee Structure**

The strategic governance activities of the Board will be supported by a committee structure comprising:

* Audit and Risk Committee.
* Operations Committee.
* Governance and Remuneration Committee.
* Treasury Management and Loans Committee