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<b>Amended</b>	June 2005, March 2007, October 2009, February 2010, October 2011, September 2016, August 2019
<b>Department</b>	Corporate
<b>Title</b>	<b>Standing Orders for the ELHA Group (Management Committee, Sub-Committees and wholly owned subsidiaries)</b>
<b>Objective</b>	To outline the Group's Standing Orders
<b>Responsible</b>	Chief Executive
<b>Next Review Date</b>	August 2024

***Terms defined in the Standing Orders, including the Appendices, will have the same meaning as set out in the Rules, unless otherwise specified.***

## **1.0 INTRODUCTION**

The Management Committee will ensure that the business of East Lothian Housing Association Group ("the Group") is undertaken in accordance with its Rules. To assist in this process the Management Committee has approved Standing Orders, which provide detailed procedures on how the Group's business is to be conducted in order to comply with its Rules. Our Financial Regulations form part of these Standing Orders, but are held as a separate document for ease of reference.

### **1.1 Structure and Constitution**

The Group has adopted Rules based on the SFHA Charitable Model Rules (Scotland) 2013 for a registered Housing Association. The Rules set out the management and administrative structure of the Group, including the objects of the Group and its authority to establish a Management Committee, Sub-Committees and subsidiary Boards of Directors

**1.2** These Standing Orders contain guidance for Members, Management Committee Members, Subsidiary Board Members and staff based on the Rules. The Standing Orders describe the Management Committee and Sub-Committee structures, proceedings, responsibilities and the delegated powers to Office Bearers and senior staff. The Standing Orders provide a flexible framework within which authorised decisions can be taken.

**1.3** The Standing Orders will be reviewed at least every five years.

## 2.0 MANAGEMENT COMMITTEE

### 2.1 Composition of Management Committee

The composition and powers of the Management Committee are governed by the Rules. The Management Committee shall have a minimum of 7 **and** a maximum (including co-optees) of 15 members. In practice, the Management Committee shall seek to have between 8 to 12 members at any time. The Management Committee can co-opt to the Management Committee anyone it considers suitable to become a Management Committee Member. Co-opted members will not make up more than one third of the total number of Management Committee Members at any one time.

### 2.2 Chair

The Management Committee Members will elect the Chair on an annual basis at the next scheduled Management Committee meeting held after each Annual General Meeting (see **Appendix 1**). The Chair of the Management Committee shall preside at all meetings of the Management Committee. In the absence of the Chair, the Vice-Chair shall preside. If the Chair and Vice-Chair are not present, then the Management Committee Members present shall elect a Chair for that meeting.

The Chair can decide who can speak and for how long, allowing equal time for each speaker. If a point arises which is not covered by the Rules, the Chair will give their ruling which will be final.

All questions of order arising at any meeting shall be decided by the Chair. If the votes of the Management Committee Members are divided equally for and against an issue, the Chair will have a second and deciding vote.

### 2.3 Secretary

The Management Committee Members will elect the Secretary on an annual basis at the next scheduled Management Committee meeting held after each Annual General Meeting. The Secretary cannot be a co-optee. In an emergency, the Secretary can ask another Office Bearer or employee to carry out the Secretary's duties until the Secretary returns.

The formal responsibilities of the Secretary are to:

- Call and attend all general meetings of the association and all meetings of the Management Committee
- Keep the minutes for all general meetings and meetings of the Management Committee
- Send out letters, notices calling meetings and relevant documents to members before a meeting
- Prepare and send all reports to the Financial Services Authority, The Scottish Housing Regulator and the Office of the Scottish Charity Regulator
- Ensure compliance with the Rules
- Keep the Register of Members and other registers required under these Rules

- Supervise the use of the Association's Seal
- Keep all the books of accounts and receive all contributions and payments owed to the association
- Pay over the contributions and payments received by the Association as instructed by the Management Committee

In practice, all of these formal responsibilities are delegated to the Chief Executive. However, the Secretary remains responsible for ensuring that the functions are discharged effectively. For the avoidance of doubt, in the absence of the Secretary, the Chief Executive can deputise.

### **3.0 SUB-COMMITTEES AND STEERING GROUPS**

- 3.1** The Management Committee alone has the power to create Sub-Committees and may delegate any of its own powers to such Sub-Committees. Any Sub-Committees must follow the terms of reference given to them by the Management Committee which must be set down in writing.

The meetings and procedures of Sub-Committees will be the same as those of the Management Committee as set out in the Rules. Sub-Committees must also follow any other additional regulations the Management Committee may impose.

The Management Committee must review periodically any Sub-Committees terms of reference and their level of authority.

- 3.2** Co-optees appointed to the Management Committee can also serve on Sub-Committees however they must not make up more than one third of a Sub-Committee. Co-optees do not count towards the number of members needed for a Management Committee or Sub-Committee meeting to take place. They can vote on all matters except those which directly affect the membership of the Association or the election of Office Bearers. This ruling does not apply to steering or working groups as they have limited remits.

#### **3.3 Sub-Committee Structure**

The Management Committee has approved a Sub-Committee structure which will include an Audit & Assurance Sub-Committee, hereinafter referred to as the "Audit & Assurance Committee".

#### **3.4 Sub-Committee Responsibilities**

Sub-Committees have delegated responsibilities and powers to act on behalf of and to report to the Management Committee on specific matters. The Sub-Committee remits are contained within **Appendix 2**.

Any decision made by a Sub-Committee must be reported to the next Management Committee Meeting in accordance with the Rules.

#### **3.5 Sub-Committee Membership**

Each Sub-Committee will consist of a minimum of 3 and a maximum of 10 elected or co-opted Management Committee Members. In practice, each Sub-Committee shall seek to have between 8 to 10 Members at any time. Any Management Committee Member can volunteer to sit on any Sub-Committee, but are not under any obligation to do so.

Membership of each Sub-Committee will be approved by the Management Committee at their first Management Committee meeting following the Annual General Meeting.

### **3.6 Convenors**

Each Sub-Committee shall have a convenor (“Convenor”) who shall be appointed by the Sub-Committee members at the first meeting of the Sub-Committee after the Annual General Meeting (and after appointments to the Sub-Committee have been made by the Management Committee at the first Management Committee meeting following the Annual General Meeting), in accordance with the procedure set out in the Election of Office Bearers (see **Appendix 1**). Co-opted Management Committee Members may not be appointed as Convenor, and the Chair of the Management Committee may not also be appointed as Convenor of the Audit & Assurance Committee or as Chair of a subsidiary. Co-opted Management Committee Members can sit on the Audit & Assurance Committee,

### **3.7 Attendance at Sub-Committee meetings**

The Association’s Chief Executive, in agreement with the Convenor, can attend any Sub-Committee meeting they deem necessary.

Any member of the Management Committee who is not a serving member of a particular Sub-Committee can attend that Sub-Committee meeting with the Convenor’s prior agreement. Any such Management Committee Member will not have any voting powers but may participate in the business of the meeting at the discretion of the Sub-Committee Convenor.

### **3.8 Steering / Working Groups**

Ad hoc steering or working groups may also be formed from time to time as determined by the Management Committee. The remit of steering / working groups will be determined by the Management Committee at the time the group is formed.

Steering / working groups may invite non-Management Committee Members onto the group who have specific skills or interests that would help further the group’s objectives subject to the prior approval of the Management Committee.

Steering / working groups may meet at a time and place convenient to the group members. Steering / working groups will report directly to the Management Committee for the duration of their existence unless otherwise delegated to a Sub-Committee. Minutes or notes of all meetings will be recorded and regular reports tabled to the Management Committee or delegated Sub-Committee for information and monitoring purposes.

#### **4.0 FREQUENCY AND DURATION OF MEETINGS**

##### **4.1 Duration of Meetings**

The normal duration of meetings of the Management Committee and Sub-Committees shall be two hours, with a maximum extension of thirty minutes by suspending the Association's Standing Orders. This extension of time must be proposed and approved by the Management Committee Members or Sub-Committee members present.

- 4.2** The Association's Management Committee will agree annually the calendar of all Management Committee Meetings and Sub-Committee meetings for the year. The frequency of meetings will be subject to business requirements but generally will tend to be as follows: Management Committee Meetings - no less than six meetings a year, Sub-Committees and Subsidiary Board meetings - four meetings a year

Meeting dates may be adjusted to accommodate administrative demands with appropriate notice given.

##### **4.3 Notice of Meetings**

Notice of Management Committee Meetings and Sub-Committee meetings shall be sent to Members by the Secretary at least seven days before the date of the meeting. All matters of business for the agenda must be sent to the Chief Executive (acting on behalf of the Secretary) by 4.00 pm on the day preceding that on which the notice of meeting is due to be issued.

##### **4.4 Special Management Committee Meetings**

The Chair or two Management Committee Members can request a special meeting of the Management Committee by writing to the Secretary with details of the business to be discussed.

The Secretary will send a copy of the request to all Management Committee Members within three working days of receiving it. The meeting will take place between 10 and 14 days after the Secretary received the request. Only the business for which the meeting has been called may be discussed at a special Management Committee Meeting. If the Secretary fails to call the special Management Committee Meeting, the Chair or the two Management Committee Members who requested the meeting can call the meeting. In this case, they must write to all Management Committee Members at least seven days before the date of the meeting.

If a Management Committee Member does not receive notice of any meeting (ordinary or special) this will not prevent the meeting from going ahead.

#### **5.0 MANAGEMENT COMMITTEE PROCEEDINGS**

- 5.1** Ordinary meetings of the Management Committee will normally be held at the Association's Head Office, or in external offices as notified by the Association. Not less than six meetings shall be held in each calendar year. Sub-Committee and subsidiary board meetings will normally be held in the Association's offices.

**5.2 Quorums**

Four elected Management Committee Members shall form a quorum at all Management Committee Meetings, except for the Sub-Committees, where the quorum shall be three Sub-Committee members. The quorum for subsidiary board meetings will be agreed by the Management Committee on the formation of the subsidiary and will normally be at least two directors of the Board.

**5.3 Order of Meetings**

The business at Management Committee Meetings, Sub-Committee meetings and subsidiary Board meetings will normally follow the order of the agenda. The Chair / Convenor can change the order of business at any stage. Matters not on the agenda may be discussed at an ordinary meeting, if the majority of Management Committee Members / Board directors agree to this. The Management Committee / Sub-Committee / Subsidiary Board can adjourn any meeting to another date/time, and, when any adjourned meeting is resumed, the meeting will start at the point at which it adjourned, and unless otherwise agreed by the members present, only items on the agenda for the original meeting will be discussed.

**5.4 Any Other Business**

If any Management Committee Member, member of any Sub-Committee, Subsidiary Board Member or the Chief Executive (or their nominee) wishes to raise items under “Any Other Competent Business”, the Chair / Convenor and senior staff member of the relevant committee must be told before the start of the meeting. In all cases the Chair / Convenor will decide whether or not the item can be raised.

**5.5 Motions and Amendments**

If a Management Committee Member, member of any Sub-Committee, Subsidiary Board Member or the Chief Executive (or their nominee) submits a motion for inclusion in the agenda as outlined at 5.4 above and is unable to attend the meeting, the item will be included on the agenda for the next meeting. If the member does not attend the second meeting at which the item is due to be discussed the item will be dropped.

All motions must be relevant to the subject under discussion. In all cases, relevance will be determined by the Chair / Convenor.

**5.6 Voting**

Voting will be by a show of hands except where a poll is requested, or required by the Rules. All matters except a motion to suspend Standing Orders will be decided by a simple majority. A motion to suspend Standing Orders will require a two-thirds majority. If there is an equal number of votes for and against a decision the Chair / Convenor will have a second and deciding vote.

## **5.7 Resolutions**

Any Management Committee Member, Sub-Committee member or Subsidiary Board Director may, without giving reasons, ask that their dissent from any resolution be recorded in the minutes, providing that the request is made at the meeting at which the resolution has been passed.

Any decision or resolution approved by the majority of the Sub-Committee Members / Subsidiary Board Members present at a Sub-Committee / Subsidiary Board meeting cannot be later questioned by a Sub-Committee member at Management Committee level, unless a Sub-Committee member / Subsidiary Board Director records their dissent. The matter then can be brought up at the next Management Committee meeting.

Other Management Committee Members / Subsidiary Board Directors can, of course, seek points of clarification before the decision or resolution is ratified by the full Management Committee.

Decisions of the Management Committee cannot be questioned by a Management Committee Member until six months after the decision was taken. Management Committee Members can, of course, seek points of clarification before the decision is taken or ratified by the full Management Committee. A review will take place if:

- (i) New legislation or regulations affecting the decision have been implemented; or
- (ii) New facts, which are ruled by the Chair of the meeting to be pertinent, have come to light since the original decision.

## **5.8 Order of Debate**

The Chair / Convenor will decide the order of debate and will endeavour to encourage broad participation by all Management Committee Members / Sub-Committee / Subsidiary Board Members during meetings. They will have the final say in closing any debate.

Any Management Committee Member / Sub-Committee / Subsidiary Board Member may raise a point of order in the course of a meeting. No questions of order will be permitted without the Chair / Convenor's permission.

- 5.9** It shall be the duty of the Chair / Convenor of any meeting to ensure that Standing Orders are observed and enforced at that meeting (see **Appendix 3**).

## **6.0 DELEGATION OF POWERS**

- 6.1** The Management Committee can delegate authority to Sub-Committees, Office Bearers or staff to ensure that no business is unduly delayed between Management Committee meetings.

In the absence of the Management Committee, the Chief Executive is authorised to take all necessary steps to ensure the effective day-to-day operation of the Association in accordance with the Association's Delegated Powers (see **Appendix 3**) and Financial Regulations.

## **6.2 Emergency Powers**

In the event of an emergency occurring which needs an immediate decision and is out-with the remit of the Chief Executive, the Chief Executive will liaise with the Chair and Vice Chair (involving a subsidiary Chair where the decision relates to that company), to agree the appropriate action required as set out in the Delegated Powers to Office Bearers and Staff.

## **6.3 Management Committee Responsibilities**

A summary of the core functions indicating the key responsibilities of the Management Committee and the delegated powers to Sub-Committees and subsidiary Boards of Directors is set out in **Appendix 2**. These core functions should be read in conjunction with the Rules and the SFHA Code of Conduct for Governing Body Members

## **7.0 OPENNESS AND ACCOUNTABILITY**

**7.1** The Association recognises that it has a variety of stakeholders and needs to demonstrate accountability to all of them. It must conduct its affairs openly and make information publicly available unless there are justifiable reasons for withholding it. The mechanisms by which the Association will demonstrate accountability are contained in the Association's Openness and Confidentiality Policy.

### **7.2 Confidentiality**

Housing Associations are required to operate in an open and accountable manner. The Association will endeavour to disseminate information widely to all its stakeholders in different formats. Only information that is of a personal or commercially sensitive nature may be withheld, all in accordance with our Openness and Confidentiality Policy.

### **7.3 Admission of the Public to Meetings**

The public may be admitted to general meetings of the Association and also to Management Committee Meetings as observers provided that the prior agreement of the Chair is given and the Management Committee has not voted in favour of the public being removed. The public will be excluded from meetings which discuss confidential matters.

Minutes of meetings will be made available to the public on request in accordance with the Association's Openness and Confidentiality Policy.

Any matters relating to procedures, personnel issues, disciplinary action, complaints or any other confidential matters shall be considered as private and not disclosed to the public.



#### **7.4 The Media**

The Association will aim to be as open as possible in responding to enquiries from the media. Public statements in response to media enquiries should in the first instance be brought to the Chief Executive's attention for approval and in sensitive situations the Chair's agreement may be sought before responding.

The Association's staff will have authority to liaise directly with the media with regards to promoting the Association's profile as delegated by the Chief Executive.

### **8.0 MINUTES OF MEETINGS**

Minutes will be taken of all Management Committee Meetings, Sub-Committee and Subsidiary Board meetings, and retained in a form available for future reference. The minutes will be presented at the next appropriate meeting and if accepted as a true record, be signed by the Chair / Convenor of the meeting at which they are approved.

In addition, the Association publishes Management Committee minutes, once they have been approved by the Management Committee.

As these minutes are publicly available, some information is redacted, for example because it contains personal information about an individual or member of staff. Where a Confidential or Private & Confidential item is discussed, no public minute is published.

### **9.0 ADMINISTRATION AND SERVICING OF COMMITTEES**

The Chief Executive has overall responsibility for ensuring that committee papers are sent out timeously for all meetings; that all meetings are serviced by relevant staff, and that appropriate actions are taken in advance of the next meeting.

### **10.0 DECLARATION OF INTERESTS**

#### **10.1 Members Interests**

A Management Committee, Sub-Committee or Subsidiary Board Member must not receive any payment or benefit unless it is permitted by our Entitlements, Payments and Benefits Policy.

#### **10.2 Declaring An Interest**

If a Management Committee, Sub-Committee or Subsidiary Board Member has a personal or pecuniary interest, direct or indirect, in any matter under discussion, they shall declare that interest to the Management Committee, Sub-Committee or Subsidiary Board as appropriate at the earliest opportunity (normally at the start of the meeting).

As required by the Code of Conduct, they must leave the meeting whilst the matter they have declared an interest in is discussed.

The declaration of interest will be noted in the minutes of the meeting. Failure to disclose an interest can result in expulsion from the Management Committee, Sub-Committee or Subsidiary Board.

The Association will maintain a register of disclosure of personal interest in respect of all members of the Management Committee and staff in line with guidance from the Scottish Housing Regulator in relation to Schedule 7 of the Housing (Scotland) Act 2001.

## **11.0 SUBSIDIARY COMPANIES**

### **11.1 R3 REPAIRS LIMITED**

R3 Repairs Limited ("R3") is a wholly owned subsidiary of the Association. Pursuant to R3's articles of association, the Association has the right to appoint Directors to the Board of R3 ("R3 Board Members"). The procedure for appointing such Directors is set out in **Appendix 1**.

## **ELECTION OF OFFICE BEARERS**

### **PROCEDURES**

#### **1.0 Chair**

The Chair will be elected annually from the Management Committee Members (excluding co-optees) at the first Management Committee meeting held after each Annual General Meeting.

The position will be held until the next Annual General Meeting unless the Chair: (i) ceases to be a Management Committee Member; or (ii) the Chair is prevented from standing or being elected to the Management Committee under the Rules (Rule 43); or (iii) if a majority of the remaining Management Committee Members present at a special meeting require their resignation.

The Chair must not normally hold office continuously for more than five annual general meetings.

Due to the timing of this election, the procedures will be as follows:

- The meeting will be chaired by the Vice Chair or a Management Committee Member who is not standing for office
- Nominations will be invited verbally
- Nominations will be proposed and seconded verbally
- One nomination will require only a majority of Management Committee Members present to confirm the Chair's appointment
- More than one nomination will require a vote by secret ballot to determine who will be Chair
- If there is a tie in the vote the Chair of the meeting will have a second, deciding vote

#### **2.0 Election of Other Office Bearers**

Election of other Office Bearers will take place at the first Management Committee meeting following the Annual General Meeting. Management Committee Members may vote for the appointment of the Vice Chair and Secretary. Sub-committee Members may vote to appoint their Convenor, and such appointments are normally made at the first meeting of the Sub-Committee following the election of Management Committee Office Bearers. Co-optees are not entitled to vote on any of the above.

**Policy Document, Appendix 1**

Voting Arrangements for the appointment of Office Bearers:

- Nominations will be formally invited from Management Committee Members
- One nomination per post will require a majority of the Management Committee Members present to approve the Office Bearer's appointment
- More than one nomination will require a secret ballot to determine the elected Office Bearer
- If there is a tie in the vote the Chair will have a second, deciding vote

**3.0 Subsidiaries**

**3.1 R3 Repairs Limited ("R3")**

The Association, for so long as it remains a member of R3, may appoint up to three Management Committee Members as Directors of R3. In addition the Association may appoint up to three other individuals (not being Management Committee Members) as Directors of the Company.

Appointments to the Board of R3 will be made at the first Management Committee meeting held after the annual general meeting.

The arrangements for election of R3 Directors will be as follows:

- Nominations will be formally invited from Management Committee Members
- Three nominations from the Management Committee Members will require a majority of the Management Committee Members present to approve the appointments
- More than three nominations from the Management Committee Members will require a secret ballot to determine who should be appointed as R3 Directors
- In relation to the non-Management Committee Members to be appointed as R3 Directors, the majority of the Management Committee Members will agree the three individuals to be appointed. For the avoidance of doubt, an Association employee may be elected to be such a Director
- If there is a tie in the vote the Chair will have a second, deciding vote
- On election, written notice of the appointments signed on behalf of the Association requires to be delivered to R3

**Policy Document, Appendix 1**

- The Chair of the R3 Board is elected by the R3 Board at the first meeting of the Board after the appointment of Directors by the Management Committee, following the same process used to appoint the Chair of the Management Committee set out in section 1.0 above.

## **EAST LOTHIAN HOUSING ASSOCIATION**

### **MANAGEMENT COMMITTEE CORE FUNCTIONS**

The following list of core functions outlines the key responsibilities of the Management Committee. This list is not comprehensive but is a guide for Management Committee Members and should be read in conjunction with the Rules and the Code of Conduct for Governing Body Members.

#### **1.0 GENERAL**

In addition to the powers specified in the Rules, the Management Committee is responsible for:

- 1.1 Ensuring that the Association and its subsidiaries comply with the law; its Rules; the Scottish Housing Regulator Registration criteria, guidance, funding conditions and Governance Standards.
- 1.2 Ensuring that the Association and its subsidiaries conduct their activities to the highest standards and in a manner that is open and accountable to their tenants and customers.
- 1.3 Ensuring that the Management Committee and Subsidiary Boards have the appropriate range of skills and knowledge to enable them to fulfil all of their functions.
- 1.4 Ensuring that appropriate policies are in place and regularly monitored and reviewed in order that the Group's business objectives are achieved.
- 1.5 Determining the Group's strategy (including business and financial objectives), ensuring that it is regularly reviewed and set out in the Group's Business Plans.
- 1.6 Monitoring and approving the submission of statutory returns and ensuring deadlines are met.
- 1.7 Ensuring that decisions are taken in the best interests of the Group, taking into account the views of members and tenants, clients and customers.
- 1.8 Recommending the appointment of the External Auditor to the Annual General Meeting.
- 1.9 Delegating Authority to the Audit & Assurance Committee, Working Groups, Steering Groups and Subsidiary Boards of Directors as it sees appropriate, and monitoring and reviewing their performance to ensure the effective running of our business.
- 1.10 Ensuring good practice in respect of equal opportunities throughout our activities.

- 1.11 Approving applications for membership to the Association.
- 1.12 Approving the appointment of the Association's solicitors.
- 1.13 Reviewing the Rules and recommending proposed changes to the Membership, including the Association's policy for admitting new Members.
- 1.14 Homologating the use of the Association's seal and disposals in accordance with policy.
- 1.15 Protecting the Group's assets.
- 1.16 Monitoring tenant participation to ensure that our legal obligations are being met.
- 1.17 Approving the Association's annual budget, rent review and long term financial projections, as set out in our Financial Regulations.

## **2.0 STAFFING**

- 2.1 Employing staff to carry out the day-to-day work of the Housing Association.
- 2.2 For Housing Association staff, setting and reviewing conditions of service, contracts of employment and pension fund arrangements.
- 2.3 For the Housing Association, approving staffing levels and structures including salary levels for new and re-graded posts.
- 2.4 For Housing Association staff, involvement in the final stages of the disciplinary and grievance procedures.

## **3.0 CORPORATE MANAGEMENT**

- 3.1 To manage the Care & Repair East Lothian Service in accordance with the Service Level Agreement with East Lothian Council.
- 3.2 Approving any Strategic Alliance agreements and other agency service agreements with other partner organisations in accordance with the Association's Rules, and monitoring progress to ensure agreed quality and standards are met and maintained.
- 3.3 Approving the arrangements with the Secretary for the Association's Annual General Meeting and any Special General Meetings, ensuring that all notices and papers are properly served.
- 3.4 Approving, monitoring and reviewing policies ensuring compliance with regulatory and legal requirements, as well as best practice.

- 3.5 Appointment and, if necessary, removal of Board members of subsidiary companies.
- 3.6 Overall constitutional control of wholly-owned subsidiaries of ELHA, including control of the majority of votes at their general meetings.
- 3.7 Managing and monitoring risks associated with both the running of the Association and its subsidiary companies.
- 3.8 Monitor rent levels, approving annual rent increases and considering affordability.
- 3.9 Monitor the Association's Annual Development Programme.
- 3.10 Ensure that proper accounts and related records are maintained for the Group.
- 3.11 Approve essential expenditure which has not been allowed for in the budget.
- 3.12 Approve borrowings, investments and cash flow in line with the Treasury Management Policy.
- 3.13 Approve bad debt write offs.

#### **4.0 POWERS DELEGATED TO THE AUDIT & ASSURANCE COMMITTEE**

##### **4.1 PERFORMANCE MONITORING AND OTHER ASSURANCE REPORTING**

- 4.1.1 Monitor and review quarterly spend against budget reporting to the Management Committee / Subsidiary board on any key variances and remedial action required.
- 4.1.2 Monitor performance against the Annual Return on the Charter (ARC) indicators, along with other relevant performance indicators.
- 4.1.3 Monitor progress in achieving the Energy Efficiency Standard for Social Housing (ESSH) and report any delivery problems to the Management Committee.
- 4.1.4 Monitor performance of the Care & Repair service.
- 4.1.5 Monitor customer satisfaction in respect of the Association's services in order to improve service delivery to our tenants and other customers and service users.
- 4.1.6 Where required by the Procurement Policy, approve the arrangements for selecting and appointing contractors and consultants for future projects.
- 4.1.7 Consider the Audited Financial Statements and recommend them to the Management Committee / Subsidiary Board for approval at the Annual General Meeting.



4.1.8 Review performance against the Scottish Housing Regulator's Performance Standards.

4.1.9 Examine the annual Assurance Statement and recommend its approval to the Management Committee prior to its submission to the Scottish Housing Regulator.

## **4.2 GENERAL AUDIT FUNCTIONS**

4.2.1 The Audit & Assurance Committee reports to the Management Committee on audit matters. To enable it to perform this function, it has the right of access to obtain all the information it considers necessary and to consult directly with the internal and external auditors.

## **4.3 OVERVIEW OF EXTERNAL AUDIT**

4.3.1 Consider whether or not the Association is obtaining good value for money from its External Auditor.

4.3.2 Review the External Audit work on behalf of the Management Committee.

4.3.3 Recommend to the Management Committee the re-appointment or otherwise of the External Auditor.

4.3.4 Recommend to the Management Committee the fee to be paid to the External Auditor.

## **4.4 OVERVIEW OF INTERNAL CONTROL**

4.4.1 Satisfy the Management Committee that there is a sufficient, systematic review of the Association's internal control arrangements, both operational (relating to effectiveness, efficiency and economy) and financial reporting controls.

4.4.2 Ensure that the Management Committee is able to give an annual statement of assurance in respect of financial control systems.

4.4.3 Ensure that weaknesses in control are being corrected and that details of any action taken are reported to the Management Committee.

4.4.4 Recommend to the Management Committee / Subsidiary Board for approval responses to the external auditor's management letters.

4.4.5 Commission special investigations into matters of particular concern relating to internal control.

4.4.6 Consider any reports from the Internal Auditor on any major audit findings, determine any action required, monitor its implementation, and report to the Management Committee / Subsidiary Board as required.

#### **4.5 OVERVIEW OF INTERNAL AUDIT**

- 4.5.1 Ensure that the Group has appropriate Internal Audit arrangements and to approve the scope and/or limitations of such arrangements.
- 4.5.2 Approve the arrangements for externally provided Internal Audit services, including the appointment of the Internal Auditor, and any arrangements for the provision of “in-house” internal audit function.
- 4.5.3 Monitor the performance of the Internal Auditor.
- 4.5.4 Approve and regularly review the planned programme of work of the internal audit function, to ensure that it is appropriate and meets the needs of the Group.

#### **5.0 MEETINGS AND REPORTING TO THE MANAGEMENT COMMITTEE**

- 5.1 Meet separately at least once each year with the External and Internal Auditors, without staff being present, to ensure that there are no unresolved issues of concern.
- 5.2 Produce for the Management Committee an annual report on:
  - 5.2.1 The adequacy and effectiveness of the Group’s internal control systems.
  - 5.2.2 A Reviews of the External Auditor’s Management Letter.
  - 5.2.3 A review of the Internal Auditor’s annual report.
  - 5.2.4 A review of the register of detected frauds (if any).
  - 5.2.5 Recommendations on the Group’s arrangements for promoting economy, efficiency and effectiveness within the Group’s activities.
- 5.3 Approve the Group’s Corporate Risk Map, reporting any significant issues arising from the risk assessments undertaken to the Management Committee.

#### **6.0 SUBSIDIARIES**

##### **6.1 R3 REPAIRS LIMITED (“R3”)**

- 6.1.1 As set out in **Appendix 1**, the Association, for so long as it remains a member of R3, may appoint up to three Management Committee Members as Directors of R3. In addition the Association may appoint up to three other individuals (not being Management Committee Members) as Directors of the Company. The procedure for electing R3 Directors is set out in **Appendix 1**.

6.1.2 The powers and duties of the R3 Directors are set out in its Articles of Association and accordingly the individuals appointed as Directors to the Board of R3 must comply with its Articles of Association.

6.1.3 In addition the Rules continue to apply to Management Committee Members and any Association employees appointed to the Board of R3.

## DELEGATED POWERS TO OFFICE BEARERS AND STAFF

### 1.0 GENERAL PRINCIPLES

- 1.1 We recognise that the effective day to day running of the Group will often require decisions to be taken without awaiting Management Committee / Subsidiary Board approval, and that many routine matters fall within the remit of the Chief Executive and senior staff in accordance with approved policies and procedures. Accordingly, this Appendix sets out the basis on which delegated powers shall be exercised by Office Bearers and senior staff.
- 1.2 Office Bearers and staff shall, in all cases, seek to use delegated powers to maintain progress in their various areas of work, provided that no policy decisions are taken or major financial commitments entered into without the approval of the Management Committee / Subsidiary Board. Office Bearers and staff shall at all times comply with the terms of reference established by the Management Committee / Subsidiary Board in relation to delegated powers.
- 1.3 The Chief Executive and senior staff delegated powers are set out in the Group's, Association's and subsidiary company's policies including the financial regulations and staff job descriptions. Additional delegated powers are listed in sections 4.0 to 9.0 below.

### 2.0 OFFICE BEARERS

- 2.1 In the absence of a Management Committee / Subsidiary Board meeting, the Chair of the Management Committee / Subsidiary Board shall have a general remit to consult with the Chief Executive to authorise any necessary decisions which fall out-with the remit of staff to ensure the day to day business of the Group is not interrupted. Such decisions will not normally have policy implications or major financial implications (unless specified in the financial regulations) which would require Management Committee / Subsidiary Board approval. All matters on which the Chair has authorised action shall be reported to and homologated at the next meeting of the Management Committee / Subsidiary Board.
- 2.2 It shall be understood that, in all cases where discretionary authority is delegated to the Chair of the Management Committee / Subsidiary Board, the same authority shall be delegated to the Vice-Chair in the absence of the Chair.

### 2.3 Secretary

Notwithstanding the foregoing, the Secretary shall have authority:

- i) To carry out the duties of Secretary as laid down in the Rules and to ensure the proper completion and security of all legal documents;
- ii) To accept applications for Association membership and to report them to the following meeting of the Management Committee.

### **2.4 Sub-Committee Convenors**

Convenors in conjunction with the Chief Executive and any appropriate manager may authorise a decision or action that falls within the remit of that committee which cannot wait until the next meeting, subject to the decision being formally reported and homologated at the next Sub-Committee meeting.

### **3.0 EMERGENCY POWERS**

- 3.1 In the event of an emergency occurring which needs an immediate decision, the Chief Executive may take emergency action as necessary, after consultation with the Chair and Vice Chair. Where urgent decisions with policy implications become necessary and when it is impracticable to call a Management Committee Meeting, the Chair and the Vice-Chair shall consult with the Chief Executive, and shall take such decisions as shall involve the least possible policy commitment on behalf of the Group. The decisions taken shall be reported to the Management Committee / Subsidiary Board as soon as possible thereafter for homologation.
- 3.2 In some circumstances, these emergency powers will be superseded by the Business Continuity Plan, which contains policies, procedures and emergency powers to be followed / used in the event of a disaster.

### **4.0 CHIEF EXECUTIVE**

The Chief Executive or, in their absence, such person as may be authorised to deputise for them, in consultation with other staff and the Chair and Vice Chair, shall have authority as detailed in the Chief Executive's job description and financial regulations, including the following:

- 4.1 Monitoring legislation affecting the Group's legal status, its role as an employer, property landlord and service provider.

### **5.0 DIRECTOR OF HOUSING**

The Director of Housing shall have responsibility as set out in the Director of Housing's job description and the financial regulations including the following:

- 5.1 Allocating tenancies to applicants on the waiting list in accordance with Housing Association Policy, and subject to the reporting of all such allocations to the Audit & Assurance Committee.

- 5.2 Taking such emergency or short-term action as may be necessary to ensure the efficient prosecution of the Association's Housing policy, subject to the reporting of all such actions to the following meeting of the Management Committee.
- 5.3 Authorisation of expenditure in line with the Association's Financial Regulations and policies.
- 5.4 Monitoring rent arrears and approving necessary steps to cover rent arrears including evictions in accordance with the Association's Rent Arrears Policy.
- 5.5 Preparation of the rent review in conjunction with the Director of Finance for the approval of Management Committee.
- 5.7 In conjunction with the Director of Finance, approving and reviewing the methods by which rent payments are made by tenants.
- 5.8 Informing and consulting with the Association's Chief Executive on any activity which might have implications on the Association's business activities.
- 5.9 Promoting tenant membership of the Association and participation by tenants in the work and decision making processes of the Association.
- 5.10 Encouraging the formation and growth of tenant's groups and other similar developments among residents in the Association's area.
- 5.11 Monitoring the quality and levels of customer satisfaction of the Association's services and feedback to Management Committee on appropriate action required.
- 5.12 Monitoring literature circulated to tenants and applicants.

## **6.0 DIRECTOR OF FINANCE**

The Director of Finance shall have responsibility as set out in the Director of Finance's job description and the Group's financial regulations including the following:

- 6.1 In consultation with the Chief Executive, taking such emergency or short term action as may be necessary to protect or promote the Group's financial position, subject to the reporting of all such action to the following meeting of the Management Committee / Subsidiary Board.
- 6.2 The overall financial management of the Group.
- 6.3 Authorisation of expenditure in line with the Group's Financial Regulations.
- 6.4 Preparation of financial projections including annual budgets and longer-term projections in consultation with budget holders.

- 6.5 Informing and consulting with the Senior Management Team on any activity which might have implications on the Group's business activities.
- 6.6 Preparing the rent review in conjunction with the Director of Housing for the approval of the Management Committee.
- 6.7 In conjunction with the Director of Housing and Director of Asset Management, approving and reviewing the methods by which payments are made by tenants and other customers.
- 6.8 Ensuring that the Group's Financial Policies and Procedures are in accordance with the Association's Rules and the Scottish Housing Regulator Performance Standards.
- 6.9 The assessment and selection of private funders and recommending the subsequent arrangement of borrowings in line with the Rules and Treasury Management Policy.
- 6.10 The assessment and selection of institutions / organisations for investing funds and placing investments in line with the Rules and Treasury Management Policy.
- 6.11 Monitoring and reporting on compliance with loan terms and conditions.
- 6.12 Ensuring that the Group has appropriate insurances in place.
- 6.13 Financially appraise housing development proposals.
- 6.14 Ensure that the Group's IT resources are appropriate to requirements and budgets and are adequately supported.
- 6.15 Ensure that the Group's office administrative resources are appropriate to requirements and budgets and are adequately supported.

## **7.0 DIRECTOR OF ASSET MANAGEMENT**

The Director of Asset Management shall have responsibility as set out in the Director of Asset Management's job description and the financial regulations including the following:

- 7.1 Appointing Maintenance Contractors for particular projects in accordance with the Group's Procurement policy and advising the Audit & Assurance Committee accordingly.
- 7.2 The preparation of annual estimates and budgets in conjunction with the Directors of Housing and Finance relating to the maintenance function of the Association.

- 7.3 Ensuring that appropriate and current Professional Indemnity (PI) Insurances are in place for all Consultants prior to their formal engagement, including maintaining the PI Register.
- 7.7 Advising on the appropriate use of materials and their design on the Group's properties.
- 7.8 Informing and consulting with the Senior Management Team on any activity which might have implications on the Group's business activities.
- 7.9 Promoting the involvement of tenants in the Maintenance process.
- 7.10 Approving maintenance spending in accordance with the Group's Procedures.
- 7.11 Overall responsibility for the operations of R3 Repairs Limited.
- 7.12 Overall responsibility for reporting on the activities of R3 Repairs Limited to the R3 Board, and to the Management Committee and Sub-Committees as required.

**9.0 CARE & REPAIR MANAGER**

The Care & Repair Manager shall have responsibility as set out in the Care & Repair Manager's job description and the Financial Regulations.