

		Governance Policy & Procedure Manual					
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Version No	Title	Author	Draft Date	Approved By	Approval Date	Live Date	Review Date
2	Board Terms of Reference	S Davies	Jun 24	Board	Jun 24	Jun 24	Jun 25
1	Organisational Regulations and Standing Orders	S Davies	Mar 24	Board	Mar 24	Mar 24	Mar 25
1	Board Remuneration Policy	A Malik	Sep 22	Board	Sep 22	Sep 22	Sep 25
1	Duties of Company Secretary	S Davies	Oct 23	Board	Oct 23	Oct 23	Oct 26
1	ECBHA Board Membership Recruitment and Succession Policy	S Davies	Nov 24	Board	Nov 24	Nov 24	Nov 27
1	Shareholder Policy	A Malik	Mar 22	Board	Apr 22	Apr 22	Apr 25
1	Board Member Dispute Resolution & Grievance Policy	A Malik	Aug 22	Board	Aug 22	Aug 22	Aug 25
1	Governance Policy & Procedure Manual	P Latham	TBC	Board	Nov 23	Nov 23	Mar 25

1. Introduction

This policy seeks to set out Eldonian Community Based Housing Association's (ECBHA's) approved policy positions and procedures regarding governance management and operations.

This document has brought together a number of separate ones into a single document. Those previous documents and applicable content are superseded by this document.

This policy sets out how ECBHA intends to comply with the relevant legislation and regulatory requirements and guidance.

ECBHA seeks to be transparent with all stakeholders regarding its performance, compliance and assurance with this policy.

The document is relevant to all ECBHA employees, residents, contractors and other person's or other stakeholders delivering or affected by activities and ECBHA homes and services.

2. Board Terms of Reference

2.1 Introduction

The Terms of Reference for the Board were originally presented and approved at the Board meeting on 11 November 2021 following the self-assessment against the NHF Code of

Governance. The Terms of Reference are to be reviewed annually, the most recent amendments being made in June 2023.

2.2 Current Board Terms of Reference

1 Introduction

- 1.1** This document sets out the terms of reference for the Board of Eldonian Community Based Housing Association (**Eldonian CBHA**).
- 1.2** These terms of reference may be varied by the Board from time to time but will be compliant with the Rules and the adopted Code of governance.

2 Board Composition

- 2.1** The Board shall consist of between 5 and 12 members (including any co-optees), in accordance with the Rules of Eldonian CBHA). The Board is appointed on the basis of skills, experience, diversity and competency required for and reviewed by the Board.
- 2.2** In accordance with the Rules; ‘At no time shall Resident Board members be less than half the total number of Board members’. Board members will have the attributes and time to govern effectively and each member exercise independent judgement in doing so.
- 2.3** Except for co-optees and employees only Shareholders can be Board Members.
- 2.4** The membership of Board will comprise people with diverse backgrounds and attributes, with direct lived experience having regard to the diversity of the communities the Association serves (NHF Code of Governance 2020 - 3.4 (3)).
- 2.5** Board will comprise of members with skills and experience appropriate to the level and type of risks faced by the Association. (NHF Code of Governance – 4.3 (5)).
- 2.6** There will be a dedicated senior Board member (Vice Chair), whose duties are assisting the chair to ensure the effectiveness of the Board and carry out the Chair’s annual appraisal. (NHF Code of Governance 2020 - 3.3(4))
- 2.7** The Board shall ensure there is adequate succession planning for the Board and senior management to maintain an appropriate balance of skills and experience within the Association and on the Board.

3 Purpose of the Board

- 3.1** The Board shall direct the affairs of the Association in accordance with its Rules and ensure that its functions are properly performed. The ultimate responsibility for overseeing the conduct and effectiveness of the Association rests with the Board.

4 Functions of the Board

References to “Code” in these terms of reference mean the National Housing Federation Code of Governance 2020.

4.1 Strategy and management

- 4.1.1 Approval and regular oversight of the Association's strategic aims and objectives and plans, including scrutiny of key operational and financial performance information concerning resident insights and satisfaction. (NHF Code of Governance 2020 - 2.6 (1) and (2)).
- 4.1.2 Ensuring that the Association operates within the law, its rules and the regulatory framework of the Regulator, which will be reviewed annually as part of the Board Effectiveness Review.

4.2 Oversight of the Association's operations ensuring:

- 4.2.1 Ensuring
 - (a) Competent and prudent management;
 - (b) Sound planning;
 - (c) Adequate accounting and other records; and
 - (d) Compliance with statutory and regulatory obligations.
- 4.2.2 Ensuring effective arrangements are in place to hear and respond to customer voice, informing Board's decision making. NHF Code of Governance 2020 - (3.9 (1) (f)).
- 4.2.3 Having a formal process for the Chief Executives annual appraisal (NHF Code of Governance 2020 - 2.4 (5)).
- 4.2.4 Having insight into the views of staff, ensuring opinions and views are understood to influence decision as appropriate.
- 4.2.5 Ensuring compliance against health and safety of residents, other customers and employees and to safeguarding.

4.3 Financial reporting and controls

- 4.3.1 To review and approve annually the assumptions in the Associations Financial Plans.
- 4.3.2 Approval of the annual report and accounts, including the governance statement and members' remuneration report.
- 4.3.3 Approval of any significant changes in accounting policies or practices.
- 4.3.4 Ensuring the Association is financially viable and maintain a sound system of internal audit and control.
- 4.3.5 Ensures that maintain an appropriate relationship with external auditors to ensure they are independent, this is to be reviewed at least every six years. (Code 4.1(3)).

4.4 Risk and Internal controls

- 4.4.1 Establishing and overseeing a framework of delegation and systems of internal control and systems to monitor business performance (NHF Code of Governance 2020 - 3.2(7))
- 4.4.2 Scrutinising and evaluating the Association's risks including establishing and overseeing a risk management framework in order to safeguard the assets of the Association. Having appropriate risk mitigations in place inclusion an up-to-date business continuity plan (NHF Code of Governance 2020 - 3.2(8))
- 4.4.3 Taking appropriate advice where necessary
- 4.4.4 Approving the Association's risk appetite statements
- 4.4.5 Receiving reports on, and reviewing the effectiveness of, the Association's risk and control processes to support its strategy and objectives
- 4.4.6 Regularly participating in stress testing its plans to identify the risks that may pose a material threat (NHF Code of Governance 2020 - 4.3 (7))
- 4.4.7 Approving procedures for the detection of fraud and the prevention of bribery
- 4.4.8 Undertaking an annual assessment of these processes; and
- 4.4.9 Approving an appropriate statement of the approach to compliance and internal control for inclusion in the annual report.

4.5 Remuneration

- 4.5.1 Determining the remuneration policy for non-executive directors, using independent advice, which is in line with the Association's social purpose and wider reputation. (Code 3.6 (4) and aligned to the organisations size and complexity, purpose and values (Code 2.5 (2))
- 4.5.2 Setting the strategy for remuneration of the workforce which is aligned to the organisation's size and complexity, and to its purpose and values (NHF Code of Governance 2020 – 2.5 (2)).

4.6 Delegation of authority

- 4.6.1 The division of responsibilities between the chair, the chief executive officer and other senior managers, which should be clearly established, set out in writing and agreed by the Board.
- 4.6.2 Approval of the delegated levels of authority, including the Chief Executive Officer's authority limits (which must be in writing).
- 4.6.3 Receiving reports from any Task and Finish Groups on their activities.

4.7 Governance matters

- 4.7.1 To approve (where formally required) and receive assurance that regulatory returns have been processed in a timely and accurate manner.
- 4.7.2 To review regulatory assessments, viability reviews and where appropriate, make associated responses.
- 4.7.3 Ensuring the organisation operates effectively, efficiently and economically. (NHF Code of Governance 2020 - 3.2 (3)).
- 4.7.4 Establishing overall leadership of the Association, setting and ensuring compliance with the values, vision, mission and strategic objectives of the organisation, ensuring its long-term success. (NHF Code of Governance 2020 - 3.2 (1)).
- 4.7.5 Satisfy itself as to the integrity of financial information, approving each year's budget and Financial Plan and annual accounts prior to publication. (NHF Code of Governance 2020 - 3.2 (6)).
- 4.7.6 Establishing a culture that is positive focused on the needs of current and future residents and other key stakeholders (NHF Code of Governance 2020 - 3.2 (2)).
- 4.7.7 Embeds equality, diversity and inclusion in the Association (NHF Code of Governance 2020 - 3.2 (2)).
- 4.7.8 To review annually its own collective performance, constitution and terms of reference, governing instruments, delegations, standing orders and that the Association is compliant with the adopted Code of Governance (NHF Code of Governance 2020 - 3.9 (1) (c)).
- 4.7.9 A full, rigorous and documented appraisal process for individual members is carried out at least every two years and, if required, to have an agreed programme of learning and development opportunities (NHF Code of Governance 2020 - 3.10 (1) and (2)).
- 4.7.10 Establish a process to respond to underperformance by individual Board members. (NHF Code of Governance 2020 - 3.10 (2)).
- 4.7.11 To review the effectiveness of decision-making, including how the views and needs of key stakeholders, including residents and other customers, have informed decisions. (NHF Code of Governance 2020 - 3.9 (1) (f)).
- 4.7.12 To approve a code of conduct and expected behaviours for Members.
- 4.7.13 To monitor that its affairs are conducted lawfully and in accordance with generally accepted standards of performance, propriety, regulatory requirements and good governance.
- 4.7.14 Define and ensure compliance with the culture, values and objectives of the Association and publish them in the corporate plan. This will be reviewed annually as part of the Board effectiveness review. (NHF Code of Governance 2020 - 1.4).

- 4.7.15 To monitor that services are delivered in line with the strategies agreed by the Board and that there is a clear and accountable framework of performance indicators and action plans to achieve the strategic objectives.
- 4.7.16 Determining the independence of members in light of their character, judgment and relationships.

4.8 Matters reserved by the Board (and cannot be delegated)

- 4.8.1 Providing oversight, support, direction and constructive challenge to the Association's chief executive and other executives. (NHF Code of Governance 2020 - 3.2 (4))
- 4.8.2 Appointing and, if necessary, dismissing the chief executive and approve their salary, benefits and terms of employment. (NHF Code of Governance 2020 - 3.2 (5))
- 4.8.3 Expansion or diversification of the Association's operations into new activities or geographic areas.
- 4.8.4 Any decision to cease a material part of the Association's operations or the disposal of any property assets.
- 4.8.5 Approval of resolutions to be put forward by the Board at a general meeting.
- 4.8.6 Changes to the structure, size and composition of the Board or any committee. Including election of the Chair of the Association.
- 4.8.7 Approval of any Task and Finish Group membership and appointment of Chairs of such Groups.
- 4.8.8 The appointment or removal of any Board Member, Company Secretary or Chief Executive Officer.
- 4.8.9 The approval of the overall development programme.
- 4.8.10 The approval of plans for carbon neutrality, environmental and social sustainability.
- 4.8.11 Approval of all matters reserved for the Board in the Association's rules and governance policies.
- 4.8.12 Dealing with conflicts of interest and matters of conduct and probity, including Board and Committee Members' conduct. (NHF Code of Governance 2020 - 1.5 (4)).
- 4.8.13 The receipt and consideration of an annual report on internal controls, consideration of, and response to, the annual Letter of the external auditors.
- 4.8.14 The approval of the Association's Treasury Strategy and the approval of new overdraft or loan facilities.

4.9 Policies

4.9.1 Approval of any new strategies or policies and major changes to existing strategies or policy having a significant impact in the following areas, to be reviewed regularly:

- business and corporate planning
- performance management and monitoring
- rents, budgets, funding and treasury management
- housing and tenancy management, allocations, customer involvement and consultation, customer care and complaints monitoring
- responsive repairs, improvements and planned maintenance
- asset management, regeneration and development of new homes
- office accommodation, telephony, IT and HR
- health and safety, equality and diversity
- appointment and use of contractors, consultants and advisers
- safety and wellbeing of its workforce
- whistleblowing policy and procedure

4.10 Other

4.10.1 Any decision likely to have a material impact on the Association from any perspective, including, but not limited to, financial, operational, strategic or reputational.

4.10.2 The Board will receive reports and recommendations from time to time on any matter which it considers significant to the Association.

4.10.3 This schedule of matters reserved for Board decisions.

5 Meetings

5.1 The Board shall meet at least 4 times every calendar year.

5.2 The quorum at meetings of the Board shall be four Board Members of which 2 should be Tenant Board Members.

5.3 The secretariat or his deputy shall be in attendance at each meeting of the Board and shall (unless any contrary direction is given by the Board) keep full Minutes of each meeting.

5.4 Board meetings are normally held in person at the designated venue. Attendance can take place through any medium which will be fully accessible to members and support will be provided so that all members are able to attend and participate fully.

5.5 An annual review of timing and frequency of meetings and format of agendas, quality and scope of papers, minutes and communications, will take place as part of the Board effectiveness review.

6 Urgent matters and decisions between meetings

6.1 Should urgent decisions need to be taken between meetings of the Board (i.e. any decision which could not reasonably wait until the next meeting of the Board), these shall be taken by the Chair in consultation with as many Board members as is reasonably practicable, but in any event at least two other Board Members. Any such decision shall be reported in full to the next meeting of the Board.

3 Organisational Regulations and Standing Orders

3.1 Introduction

ECBHA introduced its latest Organisational Regulations and Standing Orders in 2024. These will be reviewed and reported to the Board annually.

3.2 General Principles

This document sets out the framework and standing orders within which Eldonian Community Based Housing Association (ECBHA) carries out all of its activities. Nothing in this document sets aside or overrides the Rules adopted by the Association, nor such legal, accounting or other statutory obligations to the ECBHA regulator, and other Government or other regulatory body as may apply.

The Company Secretary will provide advice to the Board on the interpretation of these Standing Orders. The ruling of the Chair, or in their absence the Vice-Chair, taking account of the advice of the Company Secretary as to the interpretation of these Standing Orders, shall be final. In the case of conflict between these Standing Orders and the Rules of the Association, the Rules will take precedence. In the case of conflict between these Standing Orders and any document other than the Association's Rules, the document most recently approved by the Board will take precedence.

The Organisational Regulations and Standing Orders are intended to be underpinned by the Association's Finance Procedures Manual, which has been designed to assist staff with the financial aspects of their work and serve as a useful induction and training guide for staff. The Manual is also a best practice document which internal auditors will check compliance against.

In all matters relating to the operation of the Association including (but not limited to) regulating and controlling finance, setting accounting policies, preparing financial statements as required by statute or by any regulatory body in accordance with good practice in the relevant fields, full responsibility lies with the Board. Whilst the Board may delegate authority and day-to-day management in such matters to the Chief Executive and other Staff, it does not delegate ultimate responsibility.

The Board, both directly and through the Chief Executive and Staff, is responsible for ensuring observance of and compliance with these Regulations and Standing Orders.

Authority for these Regulations and Standing Orders is delegated by the Board to the Chief Executive who, at her / his discretion, may delegate some or all of the authorities as indicated within this document.

Within the Regulations and Standing Orders whenever monetary values are stated they include Value Added Tax where appropriate.

3.3 Definitions

- Chief Executive means the Chief Executive Officer of ECBHA. The CEO's job description includes the proviso that the CEO has overall responsibility for Eldonian Community Based Housing Association (ECBHA) under the general direction of the Board, supporting the Board to achieve good governance, comply with all necessary regulatory and statutory obligations, ensuring a high standard of services are delivered, risks assessed, and financial viability maintained. The Board is responsible for appointing the CEO.
- Leadership Team means the Chief Executive and the Directors of ECBHA.
- The Board means the Board of ECBHA.
- Chair means the Chairperson of the ECBHA Board.
- Financial Year means the year beginning on 1 April and ending on 31 March following.
- Quarter (Q1, Q2, Q3, Q4) means a three-month period on a financial calendar.
- Rules means the rules of the Association as adopted and approved by the Board and its regulators as appropriate.
- Words importing the singular or plural include the plural and singular respectively.
- Words importing gender include the male and female genders.

3.4 Financial Regulations and Standing Orders

3.4.1 Financial Administration

Subject to the overriding responsibility of the Board, the Chief Executive is responsible for the proper recording, monitoring and control of the finances of the Association.

Reports are prepared for the Board on the levels of income and expenditure, investment and borrowing proposed in each financial year, and for as many years ahead as the Board may require, to keep the Board informed on the Association's finances and financial performance.

The Board is responsible for making and, from time to time, amending such financial regulations as it considers necessary for the effective supervision and control of the Association's financial affairs, assets and liabilities in accordance with these Standing Orders.

3.4.2 Financial Planning

An analysis of proposed capital expenditure and receipts and estimates of income and expenditure on revenue account for each year ahead and such further periods as may be required is prepared for the Board.

The Board considers the Budget, seeking advice and explanations from the staff and any advisor that may have been appointed by the board. The Board either (a) adopts the Budget or (b) requires amendments. Where amendments are required, the above procedures are repeated until the Board has a Budget which it can and does adopt.

Once approved, the budget is to be used as the basis for authority to incur expenditure and for comparison with actual quarterly results.

3.4.3 Budgetary Control & Financial Reporting

Once the Budget has been adopted by the Board, designated Staff are provided with the detailed budget for that Officer's area of responsibility.

Each Officer is responsible for monitoring, controlling and regulating the performance for her / his area of responsibility within the budgetary limits set by the Board. To facilitate such monitoring and control, regular statements are produced showing actual performance against budget.

At the end of each financial quarter a complete and accurate set of management accounts for the Association is prepared in such format as the Board from time to time determines. These accounts include a balance sheet as at the end of the quarter, and income and expenditure statements covering the quarter and the financial year to date, together with any further details and analysis that the Board requires. The statements compare actual results with budget and include a written report explaining material deviations from budget and any other matters of significance.

The Board considers the quarterly management accounts of the Association together with the forward projections for the year. Any deviation from budgeted outturn for the financial year as indicated by the forward projections is examined by the Board, which will consider whether:

- it is necessary to curtail or postpone expenditure in any area or;
- to vire between budget headings;
- Increase expenditure in excess of the original budget

Within four months of the Association's financial year end (or within such other timetable as the Board may reasonably require or which may be necessary to comply with any statutory or other external regulatory requirements), arrangements are made for the accounts of the Association to be audited by an external body appointed by the Board and a full set of audited financial statements is provided to each member of the Board. When fully satisfied with their content and layout, the Board approves the accounts and authorises two of its members together with the Association's Secretary to sign the accounts on its behalf, at the same time securing the signature of the auditors on their reports.

Nothing in these Financial Regulations and Standing Orders prevents the Chief Executive, or other person nominated by her / him, from incurring expenditure which is essential to meet any immediate need created by a sudden emergency, subject to their action being reported forthwith to the Chair and, subsequently, to the Board.

The inclusion of items in approved revenue estimates or capital programmes constitutes authority to incur such expenditure except to the extent that the Board may place any reservation on any such item or items. Reserved expenditure may only be incurred when such reservation has been removed.

Where any Officer proposes: -

- (a) a new policy; or
- (b) a variation of existing policy; or
- (c) a variation in the means or timescale for implementing existing policy

which affects or may affect the Association's finances, s/he must submit a report to the Chief Executive who will arrange for it to be evaluated and will report findings report to Board.

Any proposal to the Board which involves incurring expenditure is accompanied by a report indicating the sufficiency or otherwise of the provision in the Budget and/or approved programme.

Where it appears that the amount of any approved estimate of income may not be reached, it is the duty of the Officer concerned to consult with the Chief Executive, who will inform the Board and, in the meantime, limit expenditure as far as practicable until approved by the Board.

Staff shall not incur expenditure which cannot be met from the amount provided in the current revenue budget. They must report the additional expenditure immediately to the Chief Executive who will review the budget and arrange to bring the matter, including recommendations where appropriate, to the Board.

3.4.4 Accounting

All accounting procedures and records of the Association and its Staff are determined in accordance with statutory and regulatory guidance and requirements.

3.4.5 Banking Arrangements

Operation of the Association's bank accounts is under the immediate direction of the Chief Finance Officer responsible for the finance function. Accounts are currently held with the Co-Operative Bank, HSBC and Santander.

All sums received by the Association are paid promptly and in full into a bank account operated by the Association.

All cheques are ordered on the authority of the Chief Finance Officer who is responsible for their safe custody prior to use and in use.

The Chair, the Chief Executive and such other persons as the Board may nominate are authorised to sign cheques, warrants, online banking / electronic payments or other orders to pay given on behalf of the Association in line with the scheme of delegations.

Payment instructions issued on the Association's bank accounts must bear the signature of any two authorised signatories, neither of whom may be the payee.

Original invoices or other reasonable supporting evidence is presented to each authorised signatory with each payment instruction s/he is requested to sign.

3.4.6 Income

The collection of all sums (capital and/or revenue) due to the Association is under the immediate supervision of the Chief Finance Officer.

All Staff will provide the Chief Finance Officer with such information as s/he may require ensuring that all sums due to the Association are collected in a timely and efficient manner and that such sums may be recorded accurately in the Association's accounts.

Official receipts are issued by the Association for all money received in cash.

All receipt forms, books, tickets and other such items are ordered and issued under the supervision of the Chief Finance Officer who satisfies her/himself as to their proper use and control.

No sum due to the Association is written off as a bad debt unless authorised by the Board.

Aggregated arrears are reported to Board quarterly within management accounts and performance reports.

3.4.7 Insurances

The Chief Finance Officer is responsible for ensuring that all the Association's assets, potential liabilities and / or losses and perceived risks are adequately insured with reputable insurance companies; that insurance cover is reviewed at appropriate intervals to ensure that cover is adequate and relevant; and that such cover is maintained in force. Assurances must be provided to the Chief Executive prior to agreeing the cost and term of insurance.

All claims to be submitted under any policy of insurance or against any third party's insurers are handled and negotiated by the Chief Finance Officer and reported to the Chief Executive and the Board.

The Chief Finance Officer must be given prompt notification of all new risks to be insured and of any factors / changes which might affect existing insurance covers.

The Chief Executive and Chief Finance Officer must be immediately notified, in writing, of any loss, liability or damage or any event likely to lead to a claim under the Association's insurances or those of a third party.

The Chief Finance Officer must consult with the Chief Executive and (if appropriate) with the Association's solicitor regarding the terms of any indemnity or other guarantee which the Association is required to give.

Having maintained policies of insurance in accordance with the above, the Chief Finance Officer reports to the Board each year following renewals on all the insurances held by the Association.

3.4.8 Inventories

An up-to-date inventory of equipment, plant, furniture, fittings and motor vehicles belonging or on hire / lease to the Association, including office machinery and computer equipment is maintained.

Items owned by or leased or hired by the Association must not be removed from their normal place of use or storage otherwise than in accordance with the ordinary needs of the Association's business; nor may they be used otherwise than for the Association's own purposes other than with the authorisation of the Chief Executive.

3.4.9 Investments & Borrowing

The investment and borrowing transactions of the Association are conducted in accordance with the Association's Treasury Management Policy approved by the Board.

Accounts are conducted in such a manner as to primarily protect the Association's assets, minimise charges and interest paid and to maximise interest received.

3.4.10 Orders for Works, Goods and Services

Works, goods and services are ordered in writing other than for staff expenses and in exceptional cases.

Orders signed / authorised by Staff of the Association are in accordance with financial limits of authority set out in Appendix 1 which forms an integral part of these Financial Regulations and Standing Orders. All Staff are made aware in writing of their current limits of authority.

3.4.11 Payment of Accounts

Apart from expenditure reasonably considered as “petty cash expenditure” and payments made to a tenant/resident or other client where the payee does not operate a bank, building society or similar account, all payments by the Association are made by recognised means via the Association’s bank accounts, which includes, but may not be restricted to, cheques, standing orders, direct debits, clearing house automated payment system transfers and payments via banking automated credit system, all such payments being raised in accordance with the required approvals.

Staff are responsible for examining, verifying and authorising the payment of invoice(s) and any other payment vouchers or accounts arising from their areas of work in line with the scheme of delegations.

To enable the Association to pay creditors in a timely manner, certification routines are carried out without delay and in accordance with timescales laid down.

The Chief Executive Officer and / or members of the Leadership Team make whatever examinations s/he deems necessary of physical documents and / or computer audit trails and is entitled to make such enquiries and to receive such information and explanations as s/he requires.

Suppliers’ applications for payments (invoices. etc.) are generally not amended by the Association but, if found to be incorrect, inaccurate or lacking in any respect, are returned to the supplier for amendment.

Where a payment becomes due to a tenant/resident or other client who does not have a bank, building society or similar account, to enable such payment to be made by cheque, the payment is made in cash drawn on a specific cheque and the signature of the payee obtained on the supporting voucher as evidence of receipt.

3.4.12 Salaries, Wages and Pensions

The annual budget for salaries, wages and pensions is approved by the Board. The salary of the Chief Executive Officer is determined by the Board.

Appointment of all employees of the Association, and agreement as to their terms and conditions of employment, are approved by the Chief Executive under the delegated authority of the Board and resignations are reported to the Board.

Records necessary to comply with statutory regulations relating to income tax and national insurance and all returns required are maintained under the immediate direction of the Chief Finance Officer.

Absences from duty because of sickness or other reason apart from approved leave are recorded within the software system, monitored by the Finance Manager and reported to the individual’s line manager.

The Association has one employee in a legacy pension fund, TPT, and new members of staff are auto enrolled into Nest. Employees are then free to opt out of Nest if they so choose. The detail

of pension provisions will be disclosed in the Association's financial statements in accordance with regulatory and accounting standards.

3.4.13 Information Technology

The Chief Executive Officer ensures that the Association gains maximum benefit from information technology within parameters, financial and otherwise, determined by the Board and is responsible for ensuring that the Association has a coherent policy and strategy for the future, and that both hardware and software have appropriate external support / maintenance provisions in place.

The Chief Operating Officer is immediately responsible for the Association's IT systems and for ensuring that good practice is followed, which includes risk assessment, disaster and maintenance strategies and security issues (both concerning hardware/software and data).

The Chief Executive, or other officer(s) nominated by her/him, is responsible for ensuring that the Association complies with the requirements of the Data Protection Act and any other legislation and agreements which have a bearing on its use of information technology such as software license agreements.

3.4.14 Travelling & Subsistence

Travelling and subsistence payments to Board members and employees of the Association are made in accordance with the respective Expenses Policy.

3.4.15 Petty Cash

The Association does not operate a petty cash float.

3.4.16 Credit & Debit Cards

Credit cards are issued to the Chair, Chief Executive Officer and the Chief Finance Officer only with a maximum credit limit of £500 each (not combined). The credit cards are issued only by the Chief Finance Officer responsible for the finance function, who also has authority for establishing the credit limit on such cards in accordance with the Organisational Regulations and Standing Orders. Any amendments to credit limits will be authorised by the Board. It is the card holder's responsibility to maintain financial records, including keeping receipts, and to ensure these cards are used only when necessary and always in accordance with the scheme of delegations. The use of credit cards is intended to ease minor purchases for the operational purposes, minimise expense claims and are not intended to circumvent standard purchase order procedures.

There is one debit card issued to the Chief Finance Officer to process cash when it is received in respect of rent payments and for emergency use only.

The Association also operates a small number of other credit arrangements e.g. fuel card, purchase of stationery supplies, use of which must be made in accordance with the Association's scheme of financial delegations.

3.4.17 Housing Properties

A register of all housing properties owned and / or leased by the Association is maintained within its computer systems. Relevant details held include: -

- (a) location.
- (b) cost.
- (c) useful economic life

- (d) accumulated depreciation
- (e) net book value
- (f) grant amount and source (if applicable and as far as is practicable).
- (g) funding details.
- (h) date of practical completion or other date determining when the property came into use.

The fixed assets register is updated and reconciled to the Association's financial records quarterly and the Assets and Liabilities Register is reviewed annually by the Chief Finance Officer at the end of financial year.

3.4.18 External and Internal Audit

External Audit

The Chief Executive Officer is responsible for ensuring that the Association has adequate external audit arrangements in place including that the Association's external auditor is independent of the organisation and competent to fulfil their responsibilities as external auditor.

The Board will periodically review the appointment of the external auditor in accordance with best practice, including any requirements set out in the Association's Code of Governance and Regulatory Standards, and will undertake a competitive tendering exercise for the appointment of the external auditor at least once every six years.

The Board will consider the external auditor's Audit Summary Memorandum (or equivalent document) and will approve management responses to recommendations made by the external auditor. The Board will monitor the implementation of the management responses.

The Board will meet with the external auditor at least annually without any officers of the Association being present.

Internal Audit

The Chief Executive Officer is responsible for ensuring that the Association has adequate internal audit arrangements in place, including that the Association's internal auditor is independent of the organisation and competent to fulfil their responsibilities as external auditor.

The Board will periodically review the appointment of the internal auditor in accordance with best practice, including any requirements set out in the Association's Code of Governance and Regulatory Standards, and will undertake a competitive tendering exercise for the appointment of the internal auditor at least once every six years.

The Chief Finance Officer will work with the internal auditor to develop the Annual Internal Audit Plan for approval by the Board, taking account of the organisation's Strategic Risk Register. Internal audit reports including management responses to recommendations will be presented to the Board and the Board will monitor the implementation of recommendations from internal audit reports. The Board will receive an annual report from the internal auditor and will take that report into account in conducting its annual review of the Association's system of internal controls.

The Board will meet with the internal auditor at least annually without any officers of the Association being present.

3.4.19 Professional Advisers

Proposals for using new professional advisers are approved by the Chief Executive and reported to the Board generally in connection with specific projects or initiatives agreed by the Board as part of the business plan.

3.5 Development Regulations and Standing Orders

3.5.1 General

The Chief Executive Officer, or other officer(s) nominated by her/him, is responsible for identifying new development opportunities which may be of interest to the Association and will ensure that the impact of development proposals on budget and financial forecasts can be assessed and an assessment made of the scheme's financial viability.

The Chief Executive, or other officer(s) nominated by her/him, will identify and quantify all elements of cost, obtaining quotations and/or tenders as necessary and, where appropriate, liaise with eg Homes England, and other providers of capital grant in respect of grant which may be available.

Any bid for grant funding to support new development will be subject to approval by the Board.

Once a development scheme has been identified and its viability satisfactorily established, the Chief Executive Officer submits a report to the Board seeking approval for the scheme to proceed subject to confirmation of permissions, funding and local authority support. A project specific risk register will be maintained and reported to the Board on a quarterly basis for each development project. The project risk register will include specific items such as planning permission, other permissions, grant funding, local authority support as appropriate.

The Chief Executive, or other officer(s) nominated by her/him, is responsible for the proper management and administration of all development including acquisitions, architectural designs, instructing works, appointing and instructing consultants and other professional advisers, signing contracts, authorising payments, through to practical completion.

The Chief Executive, or other officer(s) nominated by her/him, liaises and negotiates with, and supervises as appropriate, the Association's architects, contractors, solicitors, surveyors, agencies, regulators and other parties involved.

Following practical completion and until the expiry of the defects liability period, the Chief Executive, or other officer(s) nominated by her/him, is responsible in all matters for protecting the Association's rights and interests.

At all stages of a project's development, its viability is subject to review and any likelihood of overspend reported to the Board.

At completion of a scheme, the Chief Executive submits a report to the Board in a form agreed by the Board.

3.5.2 Acquisition of Land & Buildings

The acquisition of land or buildings for development is subject to the specific approval of the Board.

In all cases, a report on title is obtained from the Association's solicitors before exchange of contracts to purchase takes place.

The provision of any private and / or development finance required in connection with any scheme is negotiated by the Chief Executive alongside the Leadership Team.

3.5.3 Tenders and Tendering

The Board agrees professional advisers and contractors for any schemes to be developed.

All tenders are submitted to the Association in a prescribed manner and are required to be delivered to the Association's office before the closing date and time for the attention of the Chief Executive.

All tenders received are opened at the Association's office after the closing time on the same day as the closing date or as soon as is practicable after that date. They are opened by a Chair, in the presence of the professional advisor (where appropriate) and the Chief Executive or other officer(s) nominated by her/him. Each tender received has the date and time noted on the envelope at the time of receipt.

The sum of each tender is entered into a register and the entry is signed by those present.

Subject to the approved budget limit agreed by the board, the lowest tender is accepted except in special circumstances. In such cases a written statement supporting the decision made is presented to the Board.

All contractors are informed of the result of the tendering process as soon as possible by the professional advisor or a member of the Leadership Team as appropriate.

Tenders will be sought in compliance with the organisations Procurement Policy.

3.6 Housing Management Regulations and Standing Orders

3.6.1 General

The Chief Executive, or other officer(s) nominated by her/him, is responsible for the proper management of the Association's housing management function including tenant relations and participation. S/he is also responsible for rent and service charge collections and for reducing and recovering arrears of rent and service charges.

The Chief Executive, or other Officer(s) nominated by her/him have authority, within the policies laid down by the Board: -

- (a) to grant tenancies to waiting list applicants, applicants referred by agents acting on behalf of the Association, by local authority nominees, acquired tenants and existing tenants waiting to transfer.
- (b) to apply to register rents and service charges for secure tenancy lettings.
- (c) to apply rents and service charges in respect of Assured Tenancies and Assured Shorthold Tenancies.

3.6.2 Tenancies

All applicants, other than local authority nominees, are required to complete the Association's application form.

Offers of a tenancy are made having regard to the category to be housed, with an assessment being made in accordance with the policy and criteria determined by the Board. Lettings statistics are reported to the board.

Staff nominated by the Chief Executive will sign the Tenancy Agreement on the Association's behalf and make arrangements for payment of rent and service charge. The Housing Officer is immediately responsible for agreeing the method by which the tenant pays her/his rent and service charge.

Variations in rent and service charges are made in line with the Association's policies as approved by the Board. Proposed rents and service charges will be submitted to the Board for approval annually prior to implementation.

The Chief Operating Officer is responsible for ensuring that applications for increases in Fair Rents and/or service charges are made in a timely manner.

3.6.3 Rent and / or Service Charges Arrears

Rent and service charge arrears are dealt with in accordance with the Association's policy on the collection of rent arrears. Legal proceedings initiated against tenants for rent arrears or other reasons are reported to Board. Tenant evictions are made in line with the Associations policies and procedures as approved by the Board.

Arrears on an individual tenant's rent account once the property is vacated which are considered to be irrecoverable, will only be written off with the approval of the Board.

3.6.4 Supported Housing

The Chief Executive, or other officer(s) nominated by her/him, is responsible for the proper management of the Association's supported housing.

The Chief Executive, or other officer(s) nominated by her/him is responsible for negotiating and management any management agreements or leases with agents and/or support providers.

3.7 Repairs and Maintenance Regulations and Standing Orders

3.7.1 General

Generally, maintenance work on the Association's properties is undertaken only by minor works contractors whose names appear on the Association's approved list and those instructed by the Out of Hours service provider. New contractors can be introduced in accordance with the approved list requirements approved by Board. Annually a full report of all contractors on the approved list will be reviewed by the Board.

Repairs and Maintenance works will be procured in accordance with the Procurement Policy.

Post-inspection of works is undertaken on a statistical sampling basis. Where works are instructed by way of emergency, every effort is made to inspect the works whilst repairs are in progress or as soon after as is practicably possible.

Performance regarding repairs and maintenance and residents' satisfaction with the repairs and maintenance service will be reported to the Board on a Board approved basis.

3.8 Administration Regulations and Standing Orders

3.8.1 Seals and Company Books

The company seal and share register together with the register of tenders received is kept in a safe.

3.8.2 Mail

All incoming mail received at the Association's office shall be opened by such person(s) as the Chief Operating Officer might from time to time authorise. All incoming mail is stamped with the date of receipt. All mail for the attention of the Chair of the Association can only be opened by the Chair of the Association. Tender return envelopes are additionally marked with the time of receipt.

All outgoing mail is sent via ordinary second-class mail unless otherwise indicated by the originator.

3.8.3 Equality & Diversity

The Association will comply with its policy of equality & diversity including, but not restricted to:

- (a) Board membership.
- (b) offers of tenancy.
- (c) employment.
- (d) acceptance as an approved contractor, professional adviser or other supplier, etc.

The Association expects its approved contractors, professional advisers or other suppliers to have a policy on equality & diversity or to adopt the strategy / policy of ECBHA.

3.8.4 Health and Safety at Work

The Chief Executive, or other officer(s) nominated by her/him, has responsibility to ensure that ECBHA complies with its statutory obligations at all times in respect of matters relating to health and safety at work and that best codes of practice are followed. S/he will work with professional advisors, where appropriate, to provide guidelines to employees of the Association and to ensure compliance. S/he will ensure that all employees are fully aware of the ECBHA Health and Safety Policy and of their own obligations in regard to health and safety.

Staff ensure that all contractors, professional advisers or other suppliers used by the Association have and adhere to codes of practice in relation to matters of Health and Safety at Work which are acceptable to ECBHA.

3.9 Other Powers & Responsibilities of the Board

3.9.1 Powers & Responsibilities

The Board shall:

- Direct the affairs of the Association in accordance with their governing documents including Rules, Terms of Reference of the Board and adopted Code of Governance.
- Meet at least 4 times per calendar year, and there shall be, in addition, an Annual General Meeting.
- Define and ensure compliance with the mission, vision and values contained within the Corporate Plan and will ensure, where appropriate, strategies, policies and procedures are put in place to achieve these objectives.

- Establish and oversee a framework of delegation and systems of control.
- Monitor the Association's performance in relation to these strategies, policies, procedures, budgets, controls and decisions.
- Appoint (and if necessary, remove) the Chief Executive Officer.
- Satisfy itself that the Association's affairs are conducted in accordance with legislative requirements and regulatory expectations.
- Take appropriate advice in order to provide assurance in important areas of Board decision making.
- Agree Structure and Frequency of Board Meetings.
- Adopt an appropriate recognised Code of Conduct and Code of Governance and do not delegate any matters reserved for the Board, in accordance with the adopted codes.

The Board may establish Committees or Panels to whom it may choose to delegate some of its authority. Board may also amend the Terms of Reference or terminate any existing Committees or Panels.

- Committees comprise Board Members.
- Panels do not normally include Board Members.
- Board will approve the Terms of Reference of Committees.
- Board will approve the Terms of Reference of Panels as appropriate and in any event as part of the approval of Standing Orders.
- The Terms of Reference for each Committee and each Panel are contained in the appendices of the Standing Orders.

The Board shall adopt a code of conduct for Board Members and Co-optees to the Board and each Board Member shall be given a formal letter specifying a Board Member's obligations and should sign a copy to indicate acceptance.

All Board Members share responsibility for its decisions. To discharge their responsibilities Board Members should have, or acquire, a diverse range of skills, competencies and experience.

The Board will receive, consider and, where appropriate, approve the following organisational documents:

- Mission, Vision, Values, Objectives and Commitments
- Reports from the Regulator and the Housing Ombudsman
- Proposed Rule Changes for Recommendation to a General Meeting
- Documents Determining Shareholding of Association and Board Membership
- Scheme of Delegation to Executive Team, Committees and Panels
- Proposed Amendments to Organisational Structures
- Revised Organisational Regulations & Standing Orders
- The Board Reporting Programme
- Board Minutes
- Annual Returns to the Regulator
- Strategies
- Corporate Plan
- Financial Assumptions and Projections within Business Planning
- Annual Report
- Key policies including:
 - Health, Safety & Fire Policy

- Landlord Compliance Policy
- Risk Management Framework
- Complaints Policy
- Whistleblowing Policy
- Shareholders Policy
- Procurement Policy
- Treasury Management Policy
- Approve Personal Data Protection & Access Policy
- Tenancy Policy
- Eviction Policy
- Rent & Service Charge Setting Policy
- Customer Involvement Policy
- Safeguarding & Domestic Abuse Policy
- Stock Disposal Policy

Approval of other policies will be delegated to the Leadership Team.

3.10 Board Administration

Notice of each Board Meeting shall be given by the Company Secretary or Chair as defined in the Rules, to all Board Members at least 7 days prior to the date on which the Meeting is to be held.

The Annual General Meeting shall be convened within 6 calendar months of the end of the ECBHA financial year, by notice to all shareholders at least 14 days in advance of the date of the meetings.

The agenda and papers for all meetings shall be circulated to the Board Members and Co-opted Members in advance of the Meeting.

It will be the responsibility of the Company Secretary to ensure accurate minutes are taken of all meetings and distributed to all Board Members and Co-opted Members and retained appropriately.

At each Board meeting the minutes of the previous Meeting shall be adopted, amended as appropriate and signed by the Chair or acting Chair.

Formal resolutions of the Board shall be minuted and decisions made by a show of hands where appropriate, with the Chair holding the casting vote, and the details recorded in the minutes of the meeting.

The Company secretary shall maintain the records of all governing documents, shall have charge of the company seal, maintaining registers recording the use of those seals.

The Chief Executive shall be responsible for ensuring the compliance of ECBHA with its governing documents.

Board meetings will be timetabled annually for the coming financial year before its commencement.

The Leadership Team shall ensure that reports are prepared in sufficient detail to enable Members to identify deviations from agreed plans and policies, and to rectify such deviations, or to amend plans and policies as appropriate.

3.11 Authorised Signatories

The Chief Executive Officer and other Staff authorised from time to time by the Board are authorised to sign all regulatory returns and official authority forms and certificates on behalf of the Association together with forms, returns and certificates required by any other providers to the Association of grant funding. Where authorisation is needed for matter affecting the

viability, reputation or solvency of the Association, the chair or vice chair must be a signatory on the relevant documentation.

4 Financial Scheme of Delegation – 18 October 2023

Scheme of Financial Delegations

Approval limits (£)	Purchase orders	Purchase invoices	Payments	
	Per transaction		Cheque	Other
SMT member	10,000	10,000		25,000
SMT x 2	25,000	70,000		70,000
Chief Executive	35,000	75,000		75,000
CEO + SMT	50,000	100,000		100,000
Chief Executive and Chair or Vice- Chair of the Board	>50,000 <100,000	100,000		100,000
Board Approval	>100,000	100,000		
End of limits				

5 Board Remuneration Policy

5.1 Introduction & Background

Following work undertaken by external consultants the EBCHA Board, in November 2022 the Board approved to implement remuneration for Board Members.

5.2 Policy Position

All Board members are subject to the Remuneration Policy to ensure equality and fairness in how members are treated.

The levels of payment are agreed as follows as of November 2022:

- Chair (£4,000)
- Vice-Chair/Committee Chair (£2,500)
- Members (£2,000)

The policy position will be reviewed every three years, and more often if the complexity of the Association increases significantly during that period.

Remuneration will be contingent with:

- The development and delivery of role profiles for all members
- Regular skills assessments
- Board and appraisals and ongoing performance monitoring of member obligations
- Ensuring effective communication with stakeholders

Member Remuneration commencing from December 2022.

6. BOARD MEMBERSHIP, RECRUITMENT AND SUCCESSION POLICY

6.1 Introduction

The Board of ECBHA has ultimate responsibility for the governance and performance of the Association.

ECBHA has adopted the National Housing Federation's (NHF) Code of Governance 2020. An annual statement of compliance with the code shall be published in the annual financial statements, along with a reasoned statement about any areas of non-compliance.

This policy relates to ECBHA which is not part of a group structure.

6.2 Skills and Membership of ECBHA Board

The Board shall consist of between five and twelve Board Members (including co-optees) as permitted by the rules and at no time shall Resident Board Members be less than half the total number of Board Members.

Except for co-optees and employees only Shareholders can be Board Members.

The skills required for the board relate directly to the functions dealt with at Board level. Board members need to bring current or recent experience and skills in one or more of the following areas:

Leadership and Planning

- Leadership
- Planning

Soft skills and competencies

- Communication
- Critical thinking and analysis
- Team working

Governance and finance

- Performance management
- Equality, diversity and inclusion
- Finance
- Risk, assurance and audit

- Governance
- Legal
- Social housing regulation

Social housing and community operations

- Housing management
- Asset management
- Landlord health and safety
- Environmental sustainability
- Partnership working
- Resident engagement
- Community engagement
- Property development

There is an overlap between these skills and it is likely that successful applicants for board membership will have a combination of the skills above.

6.3 Recruitment to the Board

Generally, the approach to the recruitment and appointment of independent board members can involve a wide range of methods such as the use of recruitment consultants, advertisements being placed in newspapers, trade journals, and/or on websites and via social media.

Candidates known to existing Board members or senior officers through a variety of networks, and having the appropriate skills and experience, may be contacted and invited to respond to the advertisement. All candidates shall be evaluated in the same manner and must disclose whether any of their activities or membership of other organisations might lead to a conflict of interest within ECBHA's work.

Applicants will need to submit a covering letter and CV to demonstrate their suitability on the basis of a Board member role profile and person specification. There will be a fair and transparent selection process. Interviews will normally take place, and these will be led by the Board Recruitment Panel, with input from independent consultants where necessary.

Current co-optees of the board who are interested in being considered for independent member positions that arise from time to time on the Board can put themselves forward as candidates. Their length of service will be taken into account if they are recruited to the Board in order that the maximum period of 6 years with a possible extension to 9 years as a Board member is not exceeded.

Recruitment of a Chair will be open and transparent and based on a competitive process, details of which will be agreed by the Board. Independent consultants will be used where necessary.

New Board Members will be appointed to the Board immediately after the Board approval has been granted.

6.4 Equality and Diversity Implications

In considering the composition and renewal of the Board, regard shall be given to the need for a board which includes people from diverse backgrounds and with diverse attributes, to help ensure healthy debate and challenge, and a range of perspectives.

Diversity targets may be set, if in accordance with the EDI Policy, relating to governance and other areas and these will be reviewed for each appointment as appropriate.

6.5 Terms of Office

Membership of the board will be subject to the rule of limited tenure in office as permitted by the rules – i.e. three year terms and a maximum of three terms in office. There will be no automatic re-election for the next 3 year term. Any re-election will be subject to consideration of the Board Member's appraised performance and skills and to the wider needs of the board at the time, including any requirements associated with succession planning.

A Board Member shall cease to hold office on completion of nine years' continuous service on the Board, save where the Board agrees that circumstances exist where it would be in the best interest of the Association for a Board Member to serve for a longer period. Any board member ceasing to hold office under this rule shall not be eligible for re-appointment to the Board for at least three years.

The skills requirement for the board shall be reviewed annually as part of the annual assessment of the Board performance. Terms of office apply to non-executive board members.

A Board Member that is approaching nine years of continuous service shall normally be required to stand down on the anniversary of their ninth year, or at the Board Meeting before their ninth year in office. Member's may be asked to stand down before their ninth term in office to assist with orderly succession planning as approved by the Board. Reasons for any non-compliance with this shall be explained in the annual accounts.

Having stood down, former Board members shall not be entitled to reapply to the Board for a minimum period of three years.

6.6 Training and Appraisal

The Board will ensure that new members receive induction training and that effective arrangements are made to maintain and enhance the skills and motivation of all members of the Board. Skills requirement for each board will be reviewed annually as part of the annual assessment of Board performance. At least annual training for Board members will be delivered. All Board members will be appraised at least every two years by the Chair on an individual basis with support from the Vice Chair and independent consultants as appropriate. The Chair will be appraised at least every two years by the Vice Chair and an external consultant.

6.7 Co-options and Board Observers

The Board may from time-to-time recruit additional members to be co-opted. This will be in accordance with the rule and will usually be when specific skills are required, perhaps for a short period of time, that are not currently available on the Board.

From time to time the Board may choose to invite observers to attend and participate but not vote in Board meetings.

6.8 Current and Former Employees

In accordance with the rules, current and former members of staff are eligible to be on the Board

6.9 Staff or Board Members of other Housing Providers

Staff or Board members of other housing providers who apply for Board membership will be considered provided there is no conflict in operational areas.

6.10 Exclusion from Board Membership

The rules set out a list of circumstances in which persons cannot be appointed as Board members, or if already appointed must leave the Board.

In accordance with the rules, for the purpose of this policy the following people cannot be appointed or remain as board members, and this should be considered when recruiting new Board members:

- D7.1 they are disqualified from acting as a director of a company, as a Board Member of another registered society or as a charity trustee for any reason; or
- D7.2 they have been convicted of an indictable offence which is not, or cannot be, spent; or
- D7.3 they have been convicted of any other offence at any time which in the opinion of the Board:
 - brings the Association into disrepute; or
 - is incompatible with the role of Board Member, committee member or co-optee; and
 - the Board resolves (by a two thirds majority) that they should be removed; or;
- D7.4 a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- D7.5 they are not a Shareholder (unless they are a co-optee or employee of the Association or any other Group Member); or
- D7.6 they have absented themselves from three consecutive meetings of the Board or committee (as the case may be) in one rolling twelve-month period without special leave of absence from the Board; or
- D7.7 a registered medical practitioner who is treating that person gives a written opinion to the Association stating that that person has become physically or mentally incapable of acting as a Board Member, co-optee or committee member and may remain so for more than three months; or

- D7.8 they are a Resident and in the opinion of the Board are in material or serious breach of their tenancy agreement or lease or are subject to a possession order or are in breach of a suspended possession order, or are subject to any of the following types of court order: Criminal Behaviour Order, Injunction pursuant to section 1 of the Anti-social Behaviour, Crime and Policing Act 2014, demoted tenancy, or closure order or any other judicial order (howsoever named) which has an equivalent effect; or
- D7.9 they are a Resident and the Association has obtained an order of a competent court or tribunal against them for recovery of monies due from them to the Association provided that if the order is suspended or is an order for payment in instalments they shall only cease to be a Board Member, co-optee or committee member upon failing to meet the terms of the order; or
- D7.10 they are an employee and their contract of employment with any Group Member is terminated; or
- D7.11 in relation to any non-executive Board Member, their terms of appointment, (howsoever named) with the Association or any other Group Member are terminated in accordance with their terms;

and any Board Member, co-optee or committee member who at any time ceases to qualify under this rule shall immediately cease to be a Board Member, co-optee or committee member (as appropriate).

6.11 Remuneration

Board Members will be remunerated in accordance with the Board Member remuneration Policy which will reviewed from time to time in accordance with the policy.

The Board is responsible for monitoring the remuneration of Board Members.

6.12 Succession Planning

6.12.1 Responsibility

Succession planning is the responsibility of the Board

6.12.2 Optimum Mix

Stability in the Board can be considered a positive factor, leading to collegiality, trust, consistency and depth of knowledge about the organisation. However, if Boards fail to adopt a cycle of renewal, they can soon become collectively de-skilled. Organisations are operating in an environment of dynamic change and transformation, with market disruption, innovative technological changes, and competitive pressure.

Refreshing the board is therefore not “change for change’ sake”, but should be a response to the question “What is our anticipated business context and how well suited is our board for it?”

A dynamic succession plan is a control to help manage the following risks:

- board stagnation, group think and ‘cosy’ relationships with the Executive

- fighting yesterday's battles – helping ensure membership reflects the business' current and anticipated strategic priorities
- lack of diversity and accountability to stakeholders – providing a mix of age, experience and backgrounds will lead to better debate, decision making and accountability.

Ideally, there should be an optimum mix of age, experience, backgrounds, and length of time on the board in order to gain the benefits of stability alongside avoiding the risks of stagnation.

6.12.3 Board Leadership Succession

- 6.12.3.1 ECBHA's board structure include the leadership roles of Chair and Vice Chair and are appointed in accordance with the Board Member Service Agreement.
- 6.12.3.2 Succession planning needs to take into consideration their periodic (3 yearly) terms of office review date, and the maximum term of office for each of these posts (currently 2 terms of 3 years which can be extended if approved by the Board).
- 6.12.3.3 Consideration may need to be given to the rotation of these key leadership positions, in order to optimise skills and future consideration of a committee structure.
- 6.12.3.4 A succession grid shall be maintained to aid this planning and will be updated on an annual basis for consideration by the Board.

6.13.4 Board Member Succession

For other Board Members (and Committee members) the board member succession plan grid will be maintained, setting out their start date, terms of office for renewal (every 3 years), status (i.e. full member or co-opted member), and maximum term of office. The grid will periodically be mapped against current and future skills requirements.

6.13.5 Evaluation of individual board member effectiveness

As well as determining any learning and development needs, the board member appraisal process shall give the Chair and individual board members an opportunity to formally discuss and record the individual's future plans in relation to on-going board membership, attendance, conduct, contribution and effectiveness on the Board.

These evaluations, which will take place at least biennially, shall be taken into consideration at the end of the board members' elected term of office, when deciding whether or not to recommend the board member for a further term. The skills fit of the Board member with current and future skills requirements on the Board shall also be considered at this time.

6.14 Collective Board Effectiveness Review

The collective performance of the Board shall be reviewed in the following ways:

- Informal review at the end of each meeting to assess how effective the meeting was and any learning points for future meetings;

- A formal annual review of Board effectiveness – any action plan arising from this review shall be reported to the Board and delivery monitored;
- A formal review of Board effectiveness every three years conducted by an independent advisor

The collective review of board effectiveness shall be used to inform succession planning for the Board in relation to:

- Identifying future skills and mapping current skills against these;
- The relationship between Board and Executive;
- The balance between collegiality and depth of knowledge about the organisation, and fresh challenge and diversity of experience and perspective.

6.15 Timing

Any Board (or Committee) member may be required to stand down ahead of the end of their term of office if it is felt advantageous to stagger board members' leaving dates in order to avoid timing issues.

6.16 Pipeline

To supplement the recruitment processes outlined above, ECBHA may take steps to identify a pipeline of potential candidates. Such steps may include:

- Specific recruitment initiatives, such as tenant board membership workshop for potential applicants;
- Allowing potential future candidates opportunities to observe board (or committee) meetings in order to gain greater insight into the role of board member;
- Holding CVs on file for people who have expressed an interest in joining our Board, or of unsuccessful candidates who might match with future plans;
- Recruiting strong candidates as independent members of Committees with the intention of them taking on further roles when vacancies arise.

Care shall be taken to ensure in identifying any pipeline of potential candidates is not a barrier to open and transparent recruitment to vacancies on our board or committees and that diversity and equality of opportunity remain paramount.

6.17 Experts on the Board

In addition to recruiting individuals with appropriate skills, from time to time there may be a need to consider recruiting or co-opting a specific "expert" to the board to fill an identified skills gap e.g. a development expert on any development working group. Where this is the case, transparent and targeted recruitment will take place, with adverts making it clear the precise skills or experiences the board is looking for.

Where “experts” are appointed to the Board, Board Members must take care they do not defer to their expertise but continue to bring a diverse range of challenge to decisions and plans. This should form part of the collective review of board effectiveness.

Consideration will also be given to whether or not it would be preferable to access this level of expertise in a different way e.g. by appointing consultants to report to the Board, rather than relying on “expert” board members.

6.18 Links to Executive Leadership Transition

Alongside Board Member succession planning, from time to time the Board should consider any risks associated with transition within the Executive team coinciding with the loss of leadership support to the Board.

6.19 Open Discussion on Succession Planning

In the interest of transparency, and to enable Board members to make future plans, succession planning shall be an open process forming part of regular Governance updates to Board. It shall also form part of Board Member induction so that the process and approach is made known to board members from the start of their first term of office.

7. Duties of the ECBHA Company Secretary

Duties of the ECBHA Company Secretary		
	Tasks	Notes
1 Appointment		Only the board can remove or sack the Secretary
		Only the board can appoint the Secretary
		The remuneration of the Secretary is fixed by the board of management
2 Meetings (both general and board) and matters arising therefrom	Giving appropriate notice, collecting proxies, arranging procedures etc.	The Secretary cannot be excluded from general and board meetings of the Association
	Advising the members, informing appropriate persons of decisions made	The board may not ask the Secretary to leave a meeting under any circumstances
	Keep a record of the meetings, including sub-committees.	The board may not pass resolutions without the Secretary present
4 Registers	Keeping and maintaining registers of shareholders, board members, declarations of interest, seals books and procurement records	
3 Statutory books and returns	To keep, maintain and present where required books of accounts	There is an obligation to yield up the books at the request of the board

	Returns to the Financial Conduct Authority and the Regulator of Social Housing	
	Accident and safety records	
	Insurance record	
	Employment records etc.	
	Annual accounts and audit	
4 The following books of record must be kept (this is not an exhaustive list)	Share register (to be kept at Registered Office)	
	Register of Board Members and Secretary	
	Disclosure of interests by board members	
	Minutes of board meetings and notices thereof	
	Updated rule book	
	Books of account including signed audited accounts	
	Annual returns to the Financial Conduct Authority, the Regulator of Social Housing and the Charity Commission (where appropriate)	
	Personnel files – contracts of employment, PAYE and NI details, pension entitlement and any appropriate details such as sickness and records	
	Results of any accidents at work	
	Seal Register (the Secretary holds the Seal)	
	Procurement Register	
	Expenses and appropriate benefits as required by the Inland Revenue	
	VAT records as required by HMRC (if registered)	
	Record of insurances	
	Register of mortgages and charges on land	
5 Ensures the following are displayed	Name of organisation and words 'Registered Office' (where appropriately displayed at each office of the organisation)	
	Balance sheet and annual return (most recent)	
	Register of Shareholders	
	Health and Safety at Work Policy	
6 Legal matters	Making sure that all actions are legal and within the Rules of the Association, compliance with	The Secretary is, by law, expected to have the necessary skills to undertake the office and will therefore be held liable by the courts for professional or

	requirements in charitable rules etc.	corporate negligence or for corporate misconduct
		Liaise with external regulators and advisors, such as solicitors and auditors, where necessary.
5 Administration	Office management, filing, correspondence etc.	Certain requirements are statutory (e.g., arising from the Co-operative and Community Benefit Societies Act 2014), others are required by the Rules and the remainder are the normal responsibilities.
6 General	Guide the chair and the board to ensure operating in accordance with the Rules of the Association	
	Assist in facilitating good communication between the board, committees, senior management and shareholders.	
	Support the chair in ensuring the board functions efficiently and effectively.	
	To advise and maintain a code of conduct policy for board members.	

8 Membership (Shareholding) Policy

8.1 Introduction/ policy statement

The Eldonian Community Based Housing Association (the **Association**) is an exempt charity which provides quality, affordable housing, and housing services.

The Association is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 registered with Financial Conduct Authority (the **FCA**) with registration number 24822R. The Association's current rules (**Rules**) were registered with the FCA on 22 October 2021.

The Association is a not for profit registered provider of social housing registered with the Regulator of Social Housing (**RSH**) with registration number C3609. The RSH is the regulator of registered providers of social housing in England.

The rules governing membership of the Association can be found in Part C of the Rules. This policy has been prepared to comply with the Rules. In the event of conflict between this policy and the Rules, the Rules shall prevail.

Rule C11 requires that the board of the Association (the **Board**) shall set, review and publish its policy for admitting new Members.

New Members will only be admitted in accordance with the Rules and this policy. The Board is responsible for approving the admission of new Members.

8.2 Policy detail & definitions

8.2.1 Membership

The members of the Association are the shareholder (**Members**).

Provided that residents of the Association always form a majority of the Members and they meet the criteria and requirements of the Rules and this policy, anyone (including body corporates and nominees of unincorporated bodies) who has an interest in, can contribute to the Association's work and identifies with the Association's Mission Statement may apply to become a Member by subscribing to become a shareholder in accordance with the provisions of this policy and the Rules.

All Board members shall be appointed as a Member.

Members cannot hold more than one share and shares cannot be held jointly (except in the case of nominees of an unincorporated body).

8.2.2 Exclusions to membership

Pursuant to Rule C8 and this policy, the following cannot be or become a Member:

- Any person who is a minor (under 18);
- Any person who has been expelled as a Member of the Association in accordance with the Rules (unless authorized by a special resolution of the Association);
- Any person who has not been interviewed by the Chair/Secretary; if applying from October 22nd 2021[Incorporation of new rules]
- Any person who is an employee of the Association
- Any person with a conflict of interest
- Any person whose membership may not be in the interests of the Association
- Any person whose membership may adversely impact on the Association's work
- Any Board member who has been removed as a board member in accordance with the Rules;
- A person in respect of whom a registered medical practitioner who is treating that person gives a written opinion to the Association stating that the person has become physically or mentally incapable of exercising their rights as a member for three months or more; or

- Any person who has been convicted of an indictable offence which is or cannot be spent.

8.2.3 Applications for membership

Anyone interested in becoming a member is required to apply to the Association by:

- 1) Setting out in writing their reasons for applying and how they meet any criteria set out in this policy and confirming their agreement to abide by the Rules and this policy
- 2) All applicants must attend an on-boarding process
- 3) Pay the sum of one pound (which shall be returned to them if the application is not approved).

8.2.4 Applicants interview by the Chair/Secretary and on-boarding process

All applicants will be required to attend a one hour presentation of the Association's history, achievements, current status, future goals, explanation of new rules, what it is to be a shareholder, a definition of a share and how members can assist in the Association's work. This will be an opportunity for initial engagement with prospective members. Presentation in the form of a PowerPoint created and presented by a Board Member.

The Chair/Secretary will set 2 calendar dates at bi-yearly intervals. Applications received within same interval will be written to and offered an interview appointment. The Chair/Secretary will make all attempts to accommodate application appointments on or around the bi-yearly provision.

The Chair/Secretary will discuss the applicant's written reason's for applying. The Chair/Secretary will also discuss the rules of the Association with the applicant. The Chair/Secretary will make notes and attach to the application. If the Chair/Secretary believes there may be contraventions to this policy set out in 2.2. The Chair/Secretary will make the Board aware of potential contraventions.

8.2.5 Procedure for Approval

All applications for membership will then be considered by the Board. The Board has absolute discretion whether to accept or reject an application. Applicants fulfilling the membership requirements and who are approved by the Board shall be issued with a £1 share and their names and other particulars will be entered onto the Association's Register of Shareholders.

Where an application is unsuccessful, a statement of the reasons for refusal will be given. An applicant will then have one further opportunity to request membership, and to give reasons why the decision should be changed. The Board will consider the reasons at its next practical meeting, and its decision on the application will be final.

8.2.6 Ceasing to be a member

As noted above, Rule C8 and this policy, sets out the circumstances where a person is ineligible to become a member.

Rule C14 sets out the criteria for which a Member will automatically cease to be a Member and their share will be cancelled. For the avoidance of doubt, a Member shall cease to be a Member immediately upon meeting one or more of the criteria contained in Rule C14 (irrespective of whether they or the Association are aware of the circumstances). Rule C15 sets out the procedure that must be followed for the expulsion of a Member pursuant to Rule C14.2.

When a person ceases to be Member for any reason, their share will be cancelled and the Register of Shareholders updated to note the date upon which they ceased to be a Member. The one pound is not repayable and will become the property of the Association and be transferred into Association's reserves.

9 Board Member Dispute Resolution and Grievance Policy

9.1 Introduction , Scope & Objectives

ECBHA is committed to ensuring high standards of conduct in all that we do. It is essential that any disputes between Board members or grievances which Board members may have are handled appropriately.

This policy applies to disputes between Board members and grievances which Board members may have which are unable to be resolved through respectful debate in Board meetings.

The objectives of this policy are to ensure that:

- The work of ECBHA's Board is carried out in a fair, positive and collegiate environment
- ECBHA complies with the National Housing Federation's Code of Governance 2020
- Board members are aware of the organisation's policy on Board member grievances and dispute resolution
- Board members are provided with guidance to enable them to raise disputes between Board members and grievances they may have and
- Board member disputes and grievances are managed appropriately.

9.2 Raising a dispute

ECBHA recognises that on occasion a dispute may arise between Board members that is unable to be resolved through respectful debate in Board meetings. Efforts should be made to resolve such disputes through other means.

In seeking to resolve any such disputes, Board members must:

- Treat the other party with respect
- Be committed to resolving the dispute
- Be willing to compromise
- Respect the other party's confidentiality and

- Accept the final decision on the dispute.

In the first instance Board members are encouraged to attempt to resolve disputes through informal discussion between the parties.

Where the dispute cannot be resolved through informal discussion, one or both parties may set out the dispute in writing to the Vice-Chair or the Chair of ECBHA, who will acknowledge receipt within two working days. The Vice-Chair/Chair will then lead attempts to resolve the dispute, supported by the Company Secretary.

Where only one of the parties has set out the dispute in writing, the Vice-Chair/ Chair will invite the other party to make representations.

The Vice-Chair/Chair may meet with the parties individually or together to discuss and attempt to resolve the dispute. The Company Secretary will attend and make notes of any meetings, with the notes to be agreed by attendees.

If the dispute remains unresolved, the Vice-Chair/Chair will offer both parties the opportunity to resolve the dispute through mediation, which would be facilitated by a qualified person who is not an employee or officer of ECBHA.

If one or both parties declines the offer of mediation or mediation does not resolve the dispute, the dispute will be considered by the Board, at a meeting specifically convened for that purpose. The Board will be supported at the meeting by ECBHA's legal advisers. The parties to the dispute may present their position at the meeting and Board members may seek clarification and further information in the meeting. The parties to the dispute will then leave the meeting and the Board will agree how the dispute should be resolved. The Board's decision will be final.

9.3 Raising a grievance

ECBHA is committed to:

- Dealing with grievances fairly and consistently
- Investigating grievances to obtain as much information as possible
- Giving everyone the chance to have their say before making a decision
- Making decisions and taking appropriate actions as soon as possible and
- Allowing the person raising the grievance the right of appeal.

Stage One: informal discussion

In the first instance Board members should normally raise grievances informally with the Vice-Chair or Chair of the Board, who will normally try to resolve your grievance within five working days of you contacting them. There may however be occasions where that is not appropriate, in which case you should proceed directly to Stage Two.

Stage Two: formal grievance and meeting

If your grievance has not been resolved to your satisfaction through informal discussion, you should raise the matter formally in writing, without unreasonable delay, to the Chair or if that is not appropriate to the Vice-Chair or another Board member, who will then lead the review of your grievance, supported by the Company Secretary.

The Board member leading the review of your grievance will, without unreasonable delay, invite you to a meeting where you will have the opportunity to explain your grievance and how you think it should be resolved.

It may be necessary to adjourn the meeting for any investigations which the Board member leading the review may deem necessary to be conducted.

Following the meeting and any necessary investigations, the Board member leading the review will inform you in writing, normally within five working days of the meeting, of the decision on your grievance and any proposed action. If more time is needed to consider your grievance, you will be informed of the revised timescale. You will also be informed in writing of the right to appeal against the decision on your grievance.

Stage Three: appeal

If your grievance has not been resolved to your satisfaction through the formal grievance and meeting process, you should appeal against the grievance decision. You should appeal within five working days of receiving the grievance decision, informing the Board member leading on the review of your grievance and setting out in writing the grounds for the appeal. You will then be invited to attend an appeal hearing.

The appeal will be heard without unreasonable delay and will be heard by a Board member who has not been involved in the decision being appealed or any prior investigation.

Following the appeal hearing, the Board member who heard the appeal will inform you in writing, normally within five working days of the hearing, of the decision on your appeal and any proposed action. If more time is needed to consider your grievance, you will be informed of the revised timescale. You will be informed that the decision is final and that there is no further right of appeal.

9.4 Right to be accompanied

You may be accompanied to any meeting (including any appeal hearing) by a companion who may:

- Explain and sum up your case
- Respond to any views expressed at the meeting and
- Confer with you during the meeting.

The companion may not:

- Answer questions on your behalf
- Address the meeting if you do not wish them to do so or
- Prevent ECBHA from responding to any points raised in the meeting.

9.5 Overlapping grievance and disciplinary case

Where a Board member raises a grievance during a disciplinary process, the disciplinary process may be temporarily suspended in order to deal with the grievance. Where the grievance and disciplinary cases are related it may be appropriate to deal with both issues concurrently.

9.6 Recording and reporting

All disputes or grievances formally raised by Board members will be recorded in a register of Board member disputes and grievances which will be maintained by the Company Secretary. The register of Board member disputes and grievances will be reported on annually to the Board.

9.7 Board member awareness

Board members will be made aware of this policy as part of their induction and will receive annual reminders of the policy.

10 Equality, diversity, and human rights

It is the policy of the Association, within its objectives and subject to the Rules to provide equality of opportunity for all regardless of race, colour, ethnic or national origin, appearance, gender, sexuality, marital status, physical disability, physical or mental health status, age or religion, spiritual or political belief.

There must be no discrimination or harassment of any kind on any of the grounds set out above when accepting applicants for membership or where Members.