



**GOVERNANCE  
POLICY  
HANDBOOK**

**APPROVED 20 JUNE 2023**

## EQUALITY AND DIVERSITY

We aim to encourage an environment of equality amongst our customers, employees, Board members and other individuals. Our policy on equality and diversity sets out the principles that Thenue will apply to all its work in governance, employment and service provision. We will ensure that all our processes comply with our policy and that those suppliers of goods, services and works have Equal Opportunity policies.

Our information will be clear, simple and consistent and personal information gathered for the purposes of monitoring equal opportunities will be handled in accordance with the principles set out within the Data Protection Policy. Individual monitoring forms will be used for statistical purposes only and destroyed on completion of analysing.

We will seek to ensure that there are no barriers as a result of gender or marital status, race, colour, disability, age, sexual orientation, language or social origin, or other personal attributes, including beliefs, or opinions, such as religious beliefs or political opinions.

## REVIEW

The policies within this handbook will be reviewed at least every three years or earlier if there is a change in legislation or good practice i.e. the business continuity plan.

## AMENDMENT REGISTER

Where any amendment or revision is made to the policies contained in this handbook, the appropriate section should be updated and the date amended accordingly. The former policy handbook should be kept in a separate file for reference purposes and to demonstrate an auditable trail of policy development.

Amendments of a more ‘cosmetic’ nature (e.g. changing Communities Scotland to The Scottish Housing Regulator) do not require Board approval; however will be entered into the amendment register (below).

All relevant personnel should be made aware of the amendments/revisions made.

Section/s	Amendment	Date approved by Board of Management	Next Review Date
All	Full handbook review	07 June 2011	June 2014
Membership	Revised in line with Rule change	22 November 2011	June 2014
Learning & Development	Policy for committee only included	22 May 2012	June 2014
Code of Conduct, etc Control Benefits, etc	Updated to reflect legislative changes	22 May 2012	June 2014
Audit and Risk Sub-Committee Remit	Revised to incorporate risk management and fraud	20 November 2012	June 2014
Finance and Staffing Sub-Committee Remit	Adjustment to 12.2 to include “significant HR issues”	29 January 2014	n/a
All	Full handbook review	07 April 2015	April 2018
Standing Orders and Membership	Amended to a registered society under Co-operative and Community Benefit Societies Act 2014	16 August 2016	April 2018
All	Full handbook review	27 February 2018	February 2021
Remits of Board, Chief Executive & Executive Team	Amendment to financial approval limits for compensation payments and virement limits	24 September 2019	February 2021
All	Full handbook review	23 June 2020	June 2023
Nomination Committee	Added new Nomination Committee	16 March 2021	June 2023
Control of payments and benefits to Board Members and Staff	Amended to remove unintended anomaly regarding ‘close contacts’	28 September 2021	June 2023
All	Full handbook review	20 June 2023	June 2026

[Standing Orders](#)

[Board of Management Remit](#)

[Audit and Risk Sub-Committee Remit](#)

[Delegation to Office Bearers and Chief Executive](#)

[Executive Team – Remit](#)

[Resident Empowerment Scrutiny Team Remit](#)

[Executive sessions](#)

[Health and Safety Committee Remit](#)

[Delegated Authority to Incur Expenditure](#)

[Membership](#)

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[Gifts and Hospitality](#)

[Learning and Development for Board Members](#)

[Nomination Committee](#)

### 1. INTRODUCTION

- 1.1 Thenu Housing Association Limited is controlled and managed in accordance with statutory and regulatory requirements and its Rules. Its Rules are based upon the Charitable Model Rules (Scotland) 2013. These Standing Orders acknowledge this and set out how the Association will be controlled and run and the procedures for conducting business at Board meetings. They do so in greater detail than the Rules and specify the governance structures, procedures and delegation powers of the Association. For the avoidance of doubt, in cases of conflict, the Rules and legal and regulatory requirements will supersede any provision of these Standing Orders.
- 1.2 They are in effect, supplementary guidance detailing the internal procedures and governance of the association, designed to supplement the Rules. They are a key governance document for the Board and help ensure transparent and effective decision making. They regulate the proceedings, meetings and business of the association.
- 1.3 The Standing Orders themselves pertain to legal issues. The Association's Financial Regulations detail the financial policies of the Association. They are drawn up in conjunction with and are deemed to be part of the Standing Orders. All policy statements approved by the Board are likewise deemed to be Standing Orders and shall be complied with in all respects.
- 1.4 Any of these Standing Orders may be suspended at a general meeting of the Association or at a Board meeting provided that the meeting is quorate. Suspension of the Standing Orders should be a comparatively rare occurrence, and if it is found to be required frequently, the Board will consider altering, rescinding or adding to the Standing orders to avoid their suspension.

### 2. BOARD OF MANAGEMENT STRUCTURE AND REMIT

- 2.1 The current Board of Management structure consists of the following:-
  - Board of Management, (referred to the 'Board' in this document).
  - Audit and Risk Sub-Committee

The remits for each of the above groupings are detailed in appendix 1 to 3 attached. Rules 58.1 to 58.4 describe how Sub-Committees function. The quorum for any Sub-Committee is three. Each Sub-Committee will have a minimum of three and a maximum of eight members. Where more than eight Board Members wish to be members of a Sub-Committee, a ballot will be held, and the eight members receiving the highest number of votes will be appointed.

The Board may also from time to time establish 'ad hoc' working groups, known as 'Short Life Working Groups', to undertake a specific task within a specified timetable. The detailed remit for each Short Life Working Group will be agreed and formally minuted by the Board when setting up the Group. Short Life Working Groups will be subject to these Standing Orders. The scheme of delegation to Office Bearers is detailed in appendix 4. The Executive Team remit is detailed in appendix 5.

### 3.0 BOARD MEMBERSHIP, MEETINGS AND QUORUMS

- 3.1 **Board Membership:** The Board has a minimum of 7 and a maximum of 15 members. Any association member, (refer to membership policy for guidance), may be nominated and stand for election to the Board. Elections are held at the Annual General Meeting and rules 20 to 36 describe the procedures and proceedings of these annual general meetings.

The rules appropriate to the function of the Board are laid out in rules 37.1 to 58.4. Individual Board Members must support Thenue's overall aims and objectives and bring a particular skill or perspective to the Board's business. The specific remit of the Board is laid out in appendix 1, and in addition we do have a separate leaflet that describes the overall role of the Board and Board members.

If vacancies remain after the AGM, the Board may co-opt individuals to bring their membership up to the maximum of 15, and/or to bring particular skills or professional experience to the Board. Co-opted members may serve until the next AGM, at which time they will stand down, but they will be eligible to stand for election if they are a member of the association and are nominated. Procedures relating to Co-optees are laid out in rules 42.1 to 42.3.

Should a Board Member resign between AGM's, the remaining Board Members may appoint a casual member to fill the vacancy. A casual member will stand down at the next AGM, but will be eligible for nomination and election as a full Board Member. The Code of Conduct for Board Members, and the Payments, the control of benefits and payments policy, together with the Rules, describe the responsibilities of individual Board Members.

- 3.2 **Board Members Training:** An annual review of Board Members' skills and experience will be carried out to identify corporate and individual learning needs, following which an annual Board training and development programme will be developed and implemented. Ultimately the Board shall assess the skills, knowledge, diversity and objectivity that it needs for its decision making and what is contributed by individual Board Members by way of their annual performance review.
- 3.3 **Sub-Committee Membership:** Sub-Committees will have a minimum of 3 and a maximum of 8 members. Where the number of elected Members is less than 8, and there are co-opted members on the Board, the Board may subsequently appoint one or two of its co-opted members to a Sub-Committee. At the first business meeting following the AGM, Board Members will be asked to indicate their preference(s) for membership of Sub-Committees.
- 3.4 **Working Groups:** Working Groups will have a minimum of 3 and a maximum of 6 members. Apart from the number of members, the arrangements for appointing Board Members to Working Groups will be as detailed as above for Sub-Committees.
- 3.5 **Frequency of Meetings:** The Board will normally ten times over a typical year, but in any case is required to meet at least six times a year. The frequency of Sub-Committee meetings are laid out in the appropriate remit.
- 3.6 **Quorums:** The quorum for a Board meeting will be four elected Members. The quorum for a Sub-Committee is three elected members. Working Groups will also require to have three members to be present, for a meeting to proceed. If there are insufficient elected Members present to form a quorum within half an hour after the time appointed for the meeting to commence, no business will be transacted and the meeting will be adjourned to either:
- the next meeting of the Board or Sub-Committee due to be held,  
or
  - If there are matters requiring a decision before the date of the next scheduled meeting, to the same day in the next week at the same time.

In very exceptional circumstances where there is no quorum and a decision on a particular matter is required that day, the Chairperson of the Board or Sub-Committee (or in the absence of the Board Chairperson, the Vice-Chairperson) may authorise the action required under the Scheme of Delegation, (appendix 5), with retrospective approval being given at the next meeting.

#### **4.0 OFFICE BEARERS AND SUB-COMMITTEE CHAIRPERSONS**

**4.1 Office Bearers:** The Office Bearers are the Chairperson, Vice-Chairperson and Secretary. The Chairperson and Vice-Chairperson require to be Board Members, and will be elected by the Board at the first meeting following each AGM, and will serve until the next AGM unless in the meantime they cease to be a Board Member or stand down. The Secretary is the Chief Executive. Should an elected Office Bearer's post become vacant during the year, the Board will elect a replacement who will serve for the remainder of that year until the next AGM.

The Chairperson will serve for a maximum of five consecutive terms, and will not be eligible for election as an Office Bearer for a further period of one year. Thereafter he/she may again be appointed as an Office Bearer. The Board may delegate its powers in terms of the Rules and in accordance with appendix 4.

**4.2 Sub-Committee Chairpersons:** At the first meeting following the AGM, each Sub-Committee will select a Chairperson. That person is not required to be selected from its elected Members, so where appropriate, co-opted Sub-Committee members may be appointed as Chairperson. Each Chairperson will serve until the next AGM.

#### **5.0 CONDUCT OF BOARD BUSINESS**

**5.1 Agenda and Papers:** The agenda and papers for each Board or Sub-Committee meeting will be issued by the Chief Executive not less than seven days before the date of the meeting. Papers will be sent to individual Board Members electronically, and will be placed on the secure Board internet portal for access as required. The proceedings of any meeting will not be invalidated by the non-receipt of the agenda and papers by any Board Member.

The circulation or tabling of "late" papers will not normally be permitted. The Board or Sub-Committee Chairperson may however permit the addition of a late item to the agenda if the degree of urgency regarding the matter requires a report to be received or a decision to be made without further delay.

**5.2 Chairing of Meetings:** The Chairperson will normally chair Board meetings, unless absent or not able to participate in a particular discussion due to a declaration of interest. In the absence of the Chairperson, the Vice-Chairperson will chair the meeting. If the Vice-Chairperson is also absent, the elected Board Members present will appoint one of their number to chair that meeting. Should the Chairperson arrive after the commencement of a meeting at which the Vice-Chairperson or another Board Member has taken the chair, that person will continue to chair the meeting until the agenda item under discussion has been completed, and thereafter will vacate the chair for the Chairperson. The same principles will apply to the chairing of Sub-Committee meetings, except that, as there is no Vice-Chairperson, in the absence of the Chairperson the remaining elected Members will appoint one of their number to chair that meeting.

**6 Length of Meetings, adjournments and suspension of Standing Orders:** Meetings of the Board or Sub-Committees will not normally continue for more than two hours. At the end of that time the meeting will end unless a simple majority of those present vote in favour of a motion from the Chairperson, seconded by another Board Member, that the meeting should continue for an agreed length of time until either all the business, or the business which requires to be resolved

that day, is concluded. If there is insufficient support to continue, the meeting will either:

- be closed formally, with the remaining business being added to the agenda for the next scheduled meeting

OR

- be adjourned to the same day and time in the following week to complete the business, if there are matters requiring a decision before the next scheduled meeting.

A motion to suspend Standing Orders will require to be formally proposed and seconded. To succeed, the motion will require to be supported by at least two-thirds of the Board Members present.

- 6.2 **Order of Business:** Meetings will follow the order of the agenda, unless otherwise indicated by the Chair. Any business which is not on the agenda, but which a Board Member or Executive Team member wishes to raise (normally under Any Other Competent Business), will only be added to the agenda with the prior approval of the Chair before the start of the meeting. Urgent items of a serious nature will automatically be approved. Should consent to add the item be withheld, the business will be included in the agenda for the next scheduled meeting.
- 6.3 **Declaration of Interest:** The association's rules 38.1 to 38.3 deal with interests. An annual Declaration of Interest will be made. In addition, at the beginning of each meeting, all Board Members will be asked to declare whether or not they have an interest in any of the items on the agenda. Any Member who declares an interest will take no part in the discussion or decision on the item(s) concerned, and will be required to leave the meeting for the duration of the item(s). Any declaration of interest will be recorded in the minutes of the meeting and also in the association's Register of Interests.
- 6.4 **Motions and Amendments - Current Agenda:** It is always the aim of the Board to arrive at a decision by a consensus. If however, for whatever reason this is not possible, and if any item of business requires to be formally adopted, approved or decided on by a vote, then the Chairperson or another Board Member, as appropriate, will submit a formal motion which will require to be seconded. The names of the proposer and seconder will be minuted. If the motion does not require further discussion, the Board will proceed to a vote.

Voting will be by a show of hands unless a poll is previously requested, (proposed and seconded). If the motion requires discussion, the Chairperson will decide which Members are permitted to speak and on the order of speaking. If after a vote, there is a tie, the Chairperson will have an additional (casting) vote. Co-opted members will not be included or counted if the matter under consideration as they are not entitled to vote. The rules relating to co-optees are 42.1 to 42.3.

An amendment to a motion may be proposed by any Board Member at any time during the discussion. To be considered, the amendment will require to be seconded. If there is more than one amendment, each one will be considered and voted on in the order they are submitted. If an amendment is approved, it will become the motion on which any further amendments may be proposed. All speakers will address the Chairperson, and all other Members will observe order when a Member is speaking. The time limit for individual speakers, and for the discussion of a particular item, will be at the discretion of the Chairperson.

All motions and amendments must be relevant to the subject under discussion, and the Chairperson of any meeting will have the power to rule out of order any motion or amendment which is, in their opinion, irrelevant or incompetent.

- 6.5 **Motions for Inclusion in a Future Agenda:** Notice of a motion for consideration at the following meeting may be given at any ordinary meeting of a Board or Sub-Committee, or in writing to the appropriate Chairperson not later than 4pm on the day before the agenda and papers are due to be



issued. If the Member submitting the motion is absent when the motion is due to be considered at the next meeting, the motion shall be carried forward to the following meeting. If the Member is again absent the motion shall fall.

A motion proposing an amendment or contradiction to a previous Board decision will require to be included on the appropriate agenda and be supported by at least two thirds of the Members of the Board/Sub-Committee. Such motions will not be permitted until at least six months have elapsed from the date of the adoption of the original decision. The general exceptions to this time limit are:-

- new legislation, statutory regulations, or orders or guidance from the Scottish Housing Regulator affecting the decision have been introduced;
- relevant new information becomes available and/or there is a significant change in relevant circumstances
- new facts, which are ruled by the Chairperson of the meeting to be pertinent, have come to light since the original decision.

6.6 **Confidentiality:** All matters discussed at Board or Sub-Committee meetings will be regarded by both Board Members and any staff present as being in strict confidence. Confidentiality will only be relaxed by the agreement of a majority of the Board Members present.

6.7 **Minutes:** The Company Secretary is responsible for ensuring that the business of each Board or Sub-Committee is properly minuted. Rule 62 relates to minutes, and in addition to this, the minutes will include:

- the names of Board Members present, any employees and others in attendance, and any apologies received;
- approval of the minutes of the previous meeting, with or without amendment;
- a description of each item of business considered, the major points raised in any discussion (including relevant comments from Board Members not present) and the Board/Sub-Committee's decision on each item;
- the names of those proposing and seconding any motion or amendment;
- the result of any vote, whether by show of hands or poll;
- any declaration of interest by a Board Member;
- identify confidential and business sensitive reports;
- executive session agenda items. Annually at the Board meeting with the external auditor and at each Audit and Risk Sub-Committee meetings;
- following The Scottish Housing Regulator's Advisory Guidance: Effective recording of decisions and discussions by governing bodies of Registered Social Landlords.

The draft of the minutes will be circulated to Board/Sub-Committee Members with the agenda and papers for the following meeting. To be adopted, the minutes will require to be proposed and seconded by any two Members who attended the previous meeting, and approved by a majority of those present. Minutes may be adopted "subject to" the inclusion of an amendment to correct or clarify a point. Any amendment(s) required must be formally proposed, seconded and approved by a majority of Members present, prior to the formal adoption of the minutes. The original copy of the minutes (where appropriate, with any amendments included) will be signed by the Chairperson of the meeting at which they were approved.

The Chairpersons of Sub-Committees or Short-life Working Groups will report to the next scheduled Board meeting. After formal adoption the minutes of their meetings will be made available to all Board Members. Any Board Member who disagrees with a majority decision made at a Board/Sub-Committee meeting may request that their dissent be recorded in the minutes. A Member of the Board or of a Sub-Committee, who was not present at a particular meeting, may request clarification of a point in the minutes at the following meeting, but may not re-open the discussion on any item where a decision was made at the previous meeting. A Board Member who is not a

member of a particular Sub-Committee may request clarification of a point in the Sub-Committee minutes but may not re-open the discussion on any item, except where the Sub-Committee has referred an item to the full Board for consideration. After approval, minutes of Board meetings are posted to the association's web site and become a public document. Sub-Committee and Working Group minutes are not.

1. The Board is responsible for exercising proper control over the activities of The Thenue Group as efficiently and effectively as possible, in the interests of tenants, members, employees, lenders, all other stakeholders and the wider community. It will ensure that the association complies with:
  - all relevant legislation, statutory regulations, and related Codes of Practice;
  - its Rules;
  - All funders and lenders conditions.
  - the Scottish Social Housing Charter and any other standards or guidance published by the Scottish Housing Regulator
  
2. The Board's remit, including its powers under the Rules 45 to 47, is to:-
  1. Approve applications for membership of the association and approve the ending of membership.
  2. Determine the Group's aims and overall objectives.
  3. Determine the overall strategy and priorities and ensure that these are updated annually and set out in the Business Plan.
  4. Set objectives, targets and standards by which the strategy and priorities will be achieved, and monitor progress and performance through receipt of regular reports.
  5. Establish a Sub-Committee structure and Scheme of Delegation appropriate to Thenue's current requirements, with clear remits and standing orders.
  6. Approve changes to the overall organisation of the Thenue Group, for example establishing and controlling subsidiary companies.
  7. Buy, sell, dispose, acquire, build upon, lease or excamb any land, and accept responsibility for any related contracts and expenses.
  8. Buy, sell, dispose, acquire all property assets, (subject to ultimate approval from the Scottish Housing Regulator).
  9. Grant heritable securities over any land owned, and floating charges over any or all of the association's property and assets, both present and future, including accepting responsibility for any related expenses.
  10. Decide, monitor and vary the terms and conditions under which the Association's property is to be let, managed, used or disposed of.
  11. Approve all policies covering specified areas of activity and ensure that these are reviewed, updated and amended as necessary within a three year cycle.
  12. The setting of the yearly staffing expenditure is part of the main Board of Management discussions in relation to the overall budget with the overall approval decision sitting with the Board of Management.
  13. Where proposals mean there is an increase to the previously agreed staffing budget for the year, the decision would sit with the Board of Management.
  14. Although the final decision on the termination of a staff members employment sits with the Chief Executive, any appeals relating to the termination of staffing contracts, redundancies, disciplinaries and grievances will be heard by a panel consisting of Board of Management members, including the Chair and Vice Chair.
  15. Complaints and disciplinaries relating to members of the Executive Team are to be heard by a panel of Board of Management Members, including the Chair and Vice Chair.
  16. Any future recruitment of Senior Posts (Directors & Chief Executive) will be carried out through a panel made up from members of the Board of Management, including the Chair and Vice Chair, and the Chief Executive in the case of Directors posts.
  17. Set the terms and conditions of employment for all employees.
  18. Agree the terms of engagement and remuneration of anyone employed in connection with the association's business.

19. Approve the annual Business Plan, budget, property rents and Annual Accounts, following, if appropriate, recommendations from the appropriate Sub-Committee or Short Life Working Group.
20. Monitor the association's performance and financial position through the receipt of regular reports.
21. For individual items of expenditure, approve amounts over £10,000 in excess of the approved revenue budget, where there is no corresponding underspending.
22. Approve expenditure on individual capital items of over £10,000 which are not included in the current budget.
23. Approve cost overruns over 1% of contract value for development projects, and over 5% of contract value for planned maintenance projects.
24. Approve tenders over £250,000.
25. Approve expenditure above £10,000 where there is only one specialist contractor or supplier.
26. Approve the writing off of bad debts.
27. Consider individual claims for compensation from tenants and owners above £500 in value.
28. Compromise, settle, conduct, enforce, or resist either in a Court of Law or by arbitration any suit, debt, liability or claim by or against the association.
29. Take into account the reports and recommendations of the Association's Scrutiny Panel, (REST).
30. Under the Health and Safety at Work Act 1974, provide all staff with a safe and healthy workplace.
31. Annually review the health and safety policy which is the formal mode of communication that demonstrates the board's commitment to the management of health and safety. That policy reflects the Group's responsibility to ensure so far as is reasonably practicable the safety and health of all workers (employees, contractors, and subcontractors and, fulfilment of landlords obligations) and of anyone whose health and safety may be at risk by the work carried out by the association.

### 1. INTRODUCTION

- 1.1 The Audit and Risk Sub-Committee is subject to the association's rules 58.1 to 58.4, to the overall authority of the Board, to the Standing Orders and to all the policies approved by the Board. It has a minimum of 3 and a maximum of 8 members. It will meet up to four times a year and the quorum for a meeting to proceed is 3 elected members.
- 1.2 Operating within delegated authority from the Board, and where appropriate obtaining independent, professional advice, the Sub-Committee's specific remit is to ensure, on behalf of the Board, that sufficient risk assessment, risk management, assurance and review arrangements are in place with respect to the operational and financial affairs of the Group and its subsidiaries.
- 1.3 The Sub-Committee has the right to meet in the absence of staff members. It has the right to meet with the association's internal and external auditors in the absence of staff members if required. When such meetings take place then they are treated as 'Executive Sessions' and a separate procedural document, (appendix 7), exist to aid interpretation.
- 1.4 The Sub-Committee shall have an unfettered right of access to all information within the association. It is authorised by the Board to seek appropriate professional advice and resource inside and outside the association as required.

### 2. MEMBERSHIP AND CHAIR

- 2.1 Membership will be open to all applicants provided they possess the requisite qualifications, knowledge, experience to provide a contribution to the work of the Sub-Committee. The majority of Audit Sub-Committee Members will be Board Members.
- 2.2 Any staff member shall not be Members of the Audit and Risk Committee. Audit and Risk Sub-Committee Members shall be appointed by the Board and a casual vacancy arising on the Sub-Committee may be filled by the Board. Members shall be appointed annually.
- 2.3 The Board shall appoint the Chair of Audit and Risk Sub-Committee. The Chair of the Committee is not required to be a Board Member. The Chair of the Board may not be Chair of Audit & Risk Committee.
- 2.4 At any meeting where the elected Chair of the Sub-Committee is absent the remaining members must elect a Chair from their number for that meeting. The quorum of the Committee shall be three members of which two must be Board Members.

### 3. AUDIT

The Sub-Committee shall:-

#### **Internal Audit**

- 3.1 Ensure there is a proper and transparent procedure for the selection and periodic review of the appointment of internal auditors, in accordance with good practice. Review the terms of appointment and remuneration of the internal auditors for the Board.
- 3.2 Review annually the performance of the internal auditors.
- 3.3 Appoint the internal auditors on behalf of the Board.

- 3.4 Agree the annual internal audit programme, ensuring co-ordination between the appointed auditors, the Audit and Risk Sub-Committee and other parts of the Thenue Group. It may commission additional internal audit exercises or reviews it considers necessary.
- 3.5 Receive reports on the programme from the internal auditors at least twice a year. Review the recommendations made, responses to the reports and the progress of their implementation.
- 3.6 Discuss with internal auditors where they have noted any instances of employee fraud, questionable or illegal payments, or violations of laws or regulations.

#### **External Audit**

- 3.7 Consider whether Thenue is obtaining value for money from the external auditors.
- 3.8 Review the standard of external audit work on behalf of the Board
- 3.9 Approve the terms of engagement of the external auditor.
- 3.10 Recommend to the Board the re-appointment or otherwise of the external auditors.
- 3.11 Recommend to the Board the fee to be paid to the external auditors.

### **4. INTERNAL CONTROLS**

The Audit and Risk Sub-Committee shall:-

- 4.1 Oversee the framework and arrangements for internal controls within the association.
- 4.2 Consider statements on internal controls assurance contained in the statutory accounts and recommend whether they are made on an acceptable basis.
- 4.3 Oversee compliance with regulatory requirements on the reporting of fraud. Review the Fraud Policy to ensure it is up to date and recommend any changes to the Board. Monitor all entries made in the association's Fraud Register.
- 4.4 Review the association's Whistleblowing policy to ensure it is up to date, and recommend to the Board, any changes to the policy.
- 4.5 Review the association's Anti-Bribery Policy and report any issues to the Board. Report annually to the Board on the association's anti-bribery compliance.

### **5. RISK STRATEGY AND RISK MONITORING ARRANGEMENTS**

The Audit and Risk Sub-Committee shall:

- 5.1 Review the effectiveness of the frameworks and policy for the association's management of risk, and make recommendations for change to the Board as required.
- 5.2 Review the associations strategic and business risk register every six months and ensure that actions are taken as appropriate. The summary of this should be submitted to the Board for review annually, within the current business plan.

5.3 Carry out an annual stress testing exercise to test the robustness of the association's business plan in the event that several of identified risk crystallise. The stress testing review should also form part of the current business plan.

**6. COMMITTEE EFFECTIVENESS SKILLS AND COMPETENCIES**

6.1 The Audit and Risk Sub-Committee shall review the membership and effectiveness on a regular basis to ensure that it has appropriate skills and relevant experience. The membership collectively should include skills and knowledge of financial management and reporting, accounting, audit and risk management. Where such knowledge is not present, the committee may seek external advice when dealing with specific issues and/or appoint a co-optee with such skills and knowledge.

## 1. INTRODUCTION

It is recognised that the effective pursuance of Thenue's work may from time to time require decisions to be taken without waiting for Board approval, and that many routine matters will fall to be decided by employees, in accordance with set policies.

This document describes the arrangements for delegating certain types and areas of decisions or actions to Office Bearers and the Chief Executive. The Office Bearers at Thenue are the Chair, the Vice Chair and the Secretary and rules 59.1 to 59.10 cover these roles. The Board's purpose in approving this Scheme of Delegation is to ensure that the Association's work is not unnecessarily delayed while awaiting decisions which are clearly within the general terms of existing policy. Office Bearers and the Chief Executive shall therefore seek to use delegated powers to maintain progress in the various areas of work, provided that no policy decisions are taken or major financial commitments entered into without the Board's approval.

## 2. OFFICE BEARERS & SUB-COMMITTEE CHAIRPERSONS

**Chairperson:** The Chairperson is responsible for the running of the Board and for ensuring that the Board meets frequently, that Board members have access to all the information they need to make an informed contribution at Board meetings and that all Board members are given the opportunity to make a contribution at Board meetings. The Chairperson carries the authority of the Board, whilst the Chief Executive carries the authority delegated to him/her by the Board, so the Chairperson exercises his/her authority on behalf of the Board. On behalf of the Board the Chairperson has delegated authority to take decisions as required between Board or Sub-Committee meetings, to ensure that there are no unnecessary delays in progressing the association's work. If such decisions are made then they will be reported to the next meeting of the Board or appropriate Sub-Committee. The Chairperson also has delegated authority to sign legal documents on behalf of the association.

**Vice-Chairperson:** In the absence of the Chairperson, the Vice-Chairperson has delegated authority, in consultation with the Chief Executive, to take decisions as described above, and to sign legal documents on behalf of the association. All such decisions will be reported to the next meeting of the Board or appropriate Sub-Committee.

**Secretary:** The association's Secretary is also the Chief Executive. The duties associated with the Secretary role are contained within rules 59.1 to 59.5. Like Board members, the Secretary must act in good faith and avoid conflicts of interest. The range of duties and responsibilities include facilitating the work of the Board by ensuring that all Board members have all the information they need both for Board and Sub-Committee meetings. The Secretary advises the Board on all governance matters. The appointment and dismissal of the Secretary is a decision for the Board as a whole and not the Chairperson.

**Sub-Committee Chairpersons:** Sub-Committee Chairpersons have delegated authority, in consultation with the Chief Executive, to take decisions which relate to the area of responsibility of their Sub-Committee, subject to any such decision being in accordance with the Rules, the specific Sub-Committee remit, and current policies. All such decisions will be reported to the next meeting of the relevant Sub-Committee.

**Emergency Arrangements:** Where an urgent decision which has a policy implication is required, and when it is not possible to arrange a Board meeting, the Chief Executive will consult with the Chairperson and Vice Chairperson, or in the absence of an Office Bearer, with remaining Office Bearer and one other Board Member, and will take a decision which involves the least possible



policy commitment on behalf of Thenue. Any such decision will be reported to the Board as soon as possible thereafter for retrospective approval.

### **3. CHIEF EXECUTIVE**

The Chief Executive has the executive responsibility for the running of the association's business. (The Chairperson has the responsibility for the running of the Board). The Chief Executive has delegated authority to undertake the duties and responsibilities as detailed in their job description, and in the association's policies, including the following:

1. Ensuring the routine day-to-day pursuance of the association's business in accordance with all current policies.
2. authorising expenditure as provided for in the approved annual budget, including the signing of cheques and payments, all in accordance with the Financial Regulations;
3. Authority to vire sums of £50,000 or less between reactive, cyclical and major repairs budgets. Authority to vire sums of £10,000 or less between all other categories of budgets headings. Virement required outwith these limits will require approval of the Board of Management;
4. Authorising expenditure beyond the agreed budget (which cannot be managed through the virement limits set down within financial regulations) to a maximum of £10,000 on any one item, subject to a report to the next meeting of the Board. All such expenditure must be consistent with Thenue's aims and objectives;
5. Authorising the disposal of non-property assets up to a net asset value of £10,000 per item or group of items in any one disposal.
6. Determining claims for compensation from tenants and owners up to £500 in value;
7. Accepting tenders up to a value of £250,000, and up to £10,000 only where there is only one specialist supplier;
8. The Chief Executive has delegated authority on staffing issues and structure within the existing budget.
9. Responsibility for the final decision regarding the termination of a member of staff's contract of employment.
10. Recruitment of Director level posts will be carried out through a panel made up from members of the Board of Management, including the Chair and Vice Chair, and the Chief Executive.
11. appointing all temporary employees
12. ensuring the implementation of decisions taken by the Board and Sub-Committees;
13. liaison with the media in connection with any area of current activities in pursuit of the Group's interests, in consultation with the Chairperson or Vice Chairperson as required;
14. Taking disciplinary action, hearing appeals and grievances, in accordance with current policies.
15. Ensuring that the Board review the Standing Orders on a tri-annual basis.

A separate detailed scheme of operational delegation for each of the remaining Executive Team Members is affected by the Chief Executive.

1. The Executive Team consists of four members; the Chief Executive and the respective Directors of Finance IT & Resources, Property Services and Community Housing Services. The Team will normally meet monthly, but meetings may be held in between times by agreement. There is no quorum for a meeting, though at least two members will be present for a formal meeting to proceed. Minutes of meetings are kept for internal circulation along with a note of any decisions made in between the normal cycle of meetings. Other staff may be asked to attend meetings for a specific item.

### 2. **REMIT**

The Executive Team's remit is to:

- a) Co-ordinate all aspects of the day-to-day management of the association's business, providing leadership and direction to assist all employees in achieving current objectives and priorities.
- b) Contribute to achieving effective internal communications across the Group.
- c) Consider proposals for developments to, or changes in, the provision and/or management of all service provision, including proposals for setting future strategy, and where required submit these to the Board for approval.
- d) Prepare proposals for the annual budget, budget revisions and annual rent increase, and submit these to the Board for approval.
- e) Monitor overall performance and income and expenditure against budget through the receipt of quarterly reports highlighting any trends or major areas of concern; approve any action required to deal with areas of concern, prepare reports for the Board according to current Board reporting cycles.
- f) Approve draft Board papers and reports, ensuring that the required regular reports are provided on time according to the current Board timetable, and that Board decisions are actioned.
- g) Consider drafts of new or reviewed policies, approve drafts under delegated authority under the current scheme of policy reviews, or submit required drafts to the Board for approval (or via the relevant Sub-Committee or Working Group where required).
- h) Review and update the Risk Map, review draft internal audit reports agreeing the management response and monitoring progress on implementing agreed action, and submit regular reports to the Audit & Risk Sub-Committee.
- i) Draft the annual Business Plan for approval by the Board.
- j) Approve when necessary evictions.
- k) Review current staffing levels in relation to current and future workload and agree proposals for increases and/or internal changes for approval by the Board where required.
- l) When required, co-ordinate, oversee and conclude the association's redundancy policy.
- m) Draft proposals for the content of and arrangements for events, staff conference, Board information days, Tenants' and other similar events.
- n) Individual Directors are authorised to accept tenders up to a value of £50,000 and up to £5,000 only where there is only one specialist supplier and where they are the budget holder.
- o) Determining claims for compensation from tenants and owners up to £500 in value
- p) The Executive Team will have authority to vire sums of £50,000 or less between reactive, cyclical and major repairs budgets. The Executive Team will also have authority to vire sums of £10,000 or less between all other categories of budgets headings. Virement required outwith these limits will require approval of the Board of Management;

### **3. OPERATIONAL MANAGEMENT TEAM**

The Operational Management Team (OMT) consists of all the Managers across the organisation. This team usually meets monthly. Members of this team will have individual responsibility for the delivery of department plans, priorities and meeting operational targets. Collectively the OMT aims to ensure the smooth running and inter-departmental liaison at an operational level.

## 1 INTRODUCTION

1.1 Thenue's Board is responsible for the leadership and strategic direction of the association and for ensuring that Thenue delivers good outcomes for tenants and other customers. The Board is committed to involving tenants. One of the ways it does this is by working with and listening to the tenant scrutiny panel which is formally called the Resident Empowerment Scrutiny Team. This remit describes

- What the Resident Empowerment Scrutiny Team is expected to do
- Who can be a member of the Resident Empowerment Scrutiny Team
- How the Resident Empowerment Scrutiny Team helps the Board to deliver good outcomes for Thenue's tenants
- What Thenue will do to support the Resident Empowerment Scrutiny Team's activities

## 2. THE WORK OF THE RESIDENT EMPOWERMENT SCRUTINY TEAM (REST)

2.1 The Board has established the tenant scrutiny panel known as Resident Empowerment Scrutiny Team (REST for short), to enable Thenue tenants to be involved in monitoring and reviewing their landlord's performance and helping to drive improvements in service delivery. REST will identify specific areas of Thenue's services and will review how these services are delivered and how they can be improved. When the review is complete REST will make a report to the Board, which, as part of its considerations will decide on any action that requires its approval before it can be taken. The Board will always respond to a report from REST by explaining how it intends to address any recommendations made and resolve any issues identified.

2.2 Usually REST itself will identify the areas of Thenue's performance and service delivery that it intends to review but, from time to time, the Board may ask REST to look at a particular matter and report back.

## 3. MEMBERSHIP OF THE RESIDENT EMPOWERMENT SCRUTINY TEAM (REST)

3.1 Any resident living in Thenue's communities and who is receiving Thenue's services can volunteer to join REST. So that the Panel can operate effectively, the total number of members at any one time will not exceed fifteen, with a minimum of two-thirds at any one time being association tenants.

3.2 Membership of REST should reflect the communities where Thenue is a landlord. If there are more volunteers to join REST than there are vacancies, priority will be given to tenants from communities that are not already represented. Where this happens, it may, occasionally, be necessary to ask someone to stand down but only where there is already more than one tenant from the same community. If this happens, it will be for REST to decide who should stand down; normally based on length of service (i.e. the longest serving member would be asked to stand down). No single community should dominate the membership of REST. Current Board members are not eligible to serve on REST.

3.3 Thenue's tenants' newsletters and social media announcements will encourage participants to volunteer to fill vacancies on REST and members of REST will be encouraged to attend relevant tenant events that Thenue holds. It is REST's responsibility to ensure that its membership is representative of Thenue's communities.

#### **4. DELIVERING GOOD OUTCOMES FOR TENANTS**

- 4.1 Tenants are the people who know Thenue's services best and have first-hand experience of how the policies and strategies agreed by the Board affect them. The Board is committed to using this direct knowledge to inform service delivery and drive improvement. The reviews that REST carry out will help the Board to improve the services that tenants feel are most important: that is why REST itself decides which areas of Thenue's services it will review. For example, if a new policy has been agreed by the Board, REST may review how well it operates and whether it delivers its planned objectives. Or REST may identify an existing aspect of Thenue's services that it wants to review – perhaps because members of REST are concerned about performance or have ideas about how a service could be developed or improved.
- 4.2 The Board will also consult REST about specific issues as part of its duty to consult with tenants e.g. changes to service delivery arrangements, rent increase proposals, changes to service standards. In other words, issues that affect all Thenue tenants, rather than issues that affect a specific community or area. If the Board is considering a specific proposal that REST is interested in, REST can offer comments and ideas. Whenever REST offers comments or makes a report to the Board, the Board will take account of them in reaching its decision and will advise REST on how its views have influenced their decision. For the avoidance of doubt, the Board is not obliged to accept recommendations or suggestions made by REST but it is required to listen to and take account of REST's views.
- 4.3 REST will report to Thenue's Board on the activities that it has been involved in at the most appropriate time. Their report will be a written report. To ensure that there is an effective line of communication between REST and the Board, the Board on their behalf has appointed the Chief Executive as their main point of contact; he or she is the main contact for REST and can be contacted about any aspect of REST's activities or about Thenue's support.
- 4.4 Over time, members of REST will be encouraged to become shareholding members of Thenue and to consider standing for election to the Board.

#### **5. ASSOCIATION SUPPORT TO REST**

- 5.1 Thenue will provide help to REST to carry out its activities by providing administrative and officer support. That support may be provided by a Thenue staff member or by an organisation appointed by Thenue (in consultation with REST) for this purpose, or by a combination of these methods. In either case, the officer(s) will be directly accountable to REST when carrying out REST's activities. To ensure that these arrangements work effectively, Thenue's Lead Officer is the Chief Executive and is responsible for ensuring that REST is adequately supported. Thenue will ensure that relevant officers attend meetings of REST and contribute to and otherwise support reviews being carried out by REST. REST may request that a member of staff attends a meeting to support or otherwise contribute to its consideration of specific issues.
- 5.2 Where the work of REST results in the production of a publication, Thenue will meet the associated costs and will ensure effective distribution. Thenue will provide accommodation for meetings and other events associated with REST's activities and will ensure that refreshments and other facilities are provided to support REST. Thenue will ensure that members of REST have access to relevant training, learning and development opportunities. Thenue will meet the costs associated with attendance at relevant events and conferences throughout the year.

### 1. INTRODUCTION

1.1 The Board and Sub-Committee meetings are convened for the Governing Body to transact business and address important operational or strategic issues with the Chief Executive and senior staff. Some specific instances however warrant that some portion of the meeting be conducted in an executive session. An executive session (referred to as closed meeting), is sometimes a useful tool for protecting and advancing the best interests of the association. These sessions provide a venue for handling issues that are best discussed in private and for strengthening trust and communication. These sessions therefore have three main functions:-

- Assure confidentiality
- Create a mechanism for Board independence and oversight
- Enhance relationships among Board members

1.2 These sessions can create an appropriate forum for governing body members to talk openly about topics that warrant special treatment. In effect, executive sessions are a kind of special meeting-within-a-meeting. Executive sessions may take place before, in the middle, or at the end of a regular governing body meeting. They are, by definition, exclusive to governing body members, but others, such as the Internal Auditor, or other professional advisors may be invited to join for part or all of the session.

1.3 The notion of a private conversation for Members may seem contrary to the ethos of transparency expected of 'non-profit' organisation and to the development of a constructive partnership between the Executive Team and the Board, however executive sessions are an effective mechanism to deal with certain kinds of issues, provided that they are called for the right reasons and handled appropriately.

### 2. REASONS FOR EXECUTIVE SESSIONS

2.1 Certain issues require a more candid confidential conversation, and as such a more limited audience. There seems therefore four main reasons for such sessions:-

- a) Occasionally, the Board needs time alone to strengthen relationships and communication among Members. They may wish to discuss sensitive topics, say like pensions.
- b) Members need an opportunity to get to know and trust each other, personally and collectively. They need to be able to speak freely to air concerns and explore all aspects of issues.
- c) As a governing body, the Board needs to demonstrate and exercise its independence from the Chief Executive.
- d) The Board has a responsibility to maintain confidentiality to protect the association. If for example, another organisation is taking legal action against the association, or the association is being sued, an executive session say with a legal advisor may meet to decide whether to settle the case confidentially. Alternatively, if the association is contemplating a merger, then the committee may need to consider the advantages vs disadvantages privately.

### 3. GENERAL PRINCIPLES OF EXECUTIVE SESSIONS AT THENUE

3.1 Just as it is important for the Board and Senior Managers to tackle critical operational situations together, Members also need time to focus on its governance duties without any staff present. Some of this has to do with their oversight function, and some has to do with their need to take responsibility for itself and to function as a cohesive team. Understanding the value of executive sessions and developing routine procedures for using them can help alleviate any staff anxiety. Executive sessions are essential for strengthening Board oversight and building capacity for robust discussion. Common

issues that necessitate the governing body meeting in executive session without staff therefore include:-

- **Meeting with the Auditor (usually Internal Auditor):** As part of its fiduciary responsibilities, the Board is responsible for the financial audit, or in the case of the Internal Audit, the relevant assurance that may be required from an internal audit report. At some point the Members should meet in an executive session with the auditor without any staff present. This allows them, directly or via a designated committee, to receive unfiltered feedback about the association's financial health, or the helpfulness of the association's staff whilst completing the audit. This allows them to have a less inhibited discussion than might otherwise occur with staff present.
- **Chief Executive Performance:** The Board is responsible for managing the Chief Executive. This is a difficult, sometimes awkward task to carry out collectively, so they need to find appropriate venues for this task. An executive session allows Members to share their individual perspectives and to provide input and convey the governing body's message. These discussions are usually and currently held after information has been gathered in advance of the actual appraisal of the Chief Executive.
- **Meetings with professional advisors:** Straightforward and independent advice cannot always be given by staff to the Board. This does not happen regularly, but can arise when there is a conflict of interest e.g. pension advice is best given by an independent professional, acting on behalf of the association in their employer role. It would be folly to expect staff to be able to offer impartial independent advice on such occasions.
- **Self-management:** The Board is in effect a leadership team. To function better, collectively, team members need time to assess and adjust their own performance - to pay attention to their behaviour, to bolster relationships - away from staff observation and direction. Executive sessions allow Board members to relate to each other as peers and partners. They can be a productive way to deal with difficult and delicate conversations. For example, they can be used to encourage quieter Board members to participate more fully, ease into a potentially divisive discussion, and correct unproductive or inappropriate governing body behaviour. These kinds of executive sessions facilitate greater candour among Board members and strengthen their independence.

#### 4. THE PROCEDURAL ARRANGEMENTS

4.1 As a matter of course, an Executive session should take place within an appropriate slot of, usually, the Audit and Risk Sub-Committee. So as not to interrupt the flow of a meeting, it should take place at the end of the meeting. Some Executive sessions may require the presence of the Internal Auditor; some may not. Another appropriate slot is the Board meeting to approve the annual accounts when the External Auditor is present.

4.2 It is the relevant Chair's responsibility to keep the conversation in the executive session on topic. It must not degenerate into gossip. It is the Chair's responsibility to guide the discussion to a productive conclusion. When staff are invited back into the room, then a summary of this Executive session should be offered. The Chair should communicate the gist of the conversation, especially those issues that reflect the Members views on a particular matter. This immediate follow-up helps eliminate unnecessary worry by the relevant staff about the subject matter discussed within the session. If necessary, but only if necessary, the minute could reflect a 'confidential discussion' otherwise the minute of this part of the meeting should also act as an accurate record of this part of the meeting.

4.3 Executive session minutes should be shared only with participants and should not be attached to the regular Board meeting minutes. Any confidential documents distributed for an executive session should be clearly marked as confidential and maintained by the Secretary and/or the Chair. The regular meeting minutes should indicate when the meeting went into an executive session, what the primary

reason was, any formal decisions that were made in executive session, and when the Members came out of executive session.

## **5. SUMMARY**

As with many practices that are not fully understood, executive sessions can cause consternation and as with practices that are not completely open, they have the potential for misinterpretation and misuse. When not well managed, executive sessions can fuel problems, ranging from a lack of transparency and disregard for public accountability to inappropriate behaviour and distrust between the Board and staff. But, they need not. Executive sessions are one of many valuable tools our governing body can use to strengthen governance and organisational leadership. They create an environment for important conversations among governing body members, sometimes alone and sometimes with other professional advisors. Time spent in direct, unencumbered conversations creates stronger relationships among Members that can help everyone collectively get through the good times and bad.



### 1. INTRODUCTION

- 1.1 The 1974 Health and Safety at Work etc. Act sets out the general duties which Thenue have towards staff members, visitors and members of the public, and staff members have to themselves and to each other. These duties are qualified in the Act by the principle of 'so far as is reasonably practicable'. To enable these statutory duties to be carried out, the Group has a Health and Safety Policy which ensures that responsibilities for health and safety are assigned, accepted and fulfilled at all levels; that all practicable steps are taken to manage the health, safety and welfare of all employees; to conduct the business in such a way that the Health & Safety of visitors, to any premises under our control is not put at risk.
- 1.2 What the law requires here is what good management and common sense would lead Thenue to do anyway: that is, to look at what the risks are and take sensible measures to tackle them. This means that if removing the risk is technically impossible or if the time, trouble or cost of the measures would be grossly disproportionate Thenue does not have to take measures to avoid or reduce the risk.
- 1.3 In addition to providing a safe system of work, a safe place of work, safe equipment, fulfilment of landlord obligations and appointing competent people responsible for the administration of Health and Safety, Thenue have a Health and Safety Committee. This Committee is made up of staff and volunteer specialist members. This Committee does not have the status of a formal Sub-committee as defined in the association's rules. The Committee acts as a consultation workplace forum and looking at matters such as accident investigations, risk assessments, training and ways of improving safety standards and health and wellbeing matters within the association.

### 2. MEETINGS AND MEMBERSHIP

- 2.1 The Health & Safety Committee meets up to four times per year. It is made up of staff representatives from each part of the association, the Union representative and also an external Health and Safety Specialist Consultant.
- 2.2 The Committee gives all staff the opportunity to discuss, assess and investigate general matters associated with Health and Safety, and as such is not a formal Sub-Committee of the Board.
- 2.3 To cover all relevant issues, the Committee agree some standing items for the agenda and allow for other items to be added as necessary. Such items include:-
- statistics on accident records;
  - accident and near miss investigations and subsequent action;
  - inspections of the workplace by enforcing authorities, management or employee health and safety representatives;
  - risk assessments;
  - health and safety training;
  - changes in the workplace affecting the health, safety and welfare of employees;
  - responsibilities arising from landlord responsibilities.
- 2.4 The Committee has the authority for expenditure on items relating to health and safety and within the overall revenue budget provision.
- 2.5 The minutes of the Committee are presented routinely to the Board to allow for good overall governance and transparency.

### A. EXPENDITURE NOT INCLUDED IN THE BUDGET (AND CANNOT BE MANAGED THROUGH THE VIREMENT LIMITS SET DOWN WITH THE FINANCIAL REGULATIONS)

1. Urgent items – revenue or capital
  - Up to £10,000 Chief Executive
  - Over £10,000 Board of Management
  
2. Cost overruns on development projects
  - Up to 1% of the contract value Chief Executive in conjunction with Head of Property Services
  - Over 1% of the contract value Board of Management
  
3. Cost overruns on planned maintenance projects
  - Up to 5% of contract value Chief Executive in conjunction with Head of Property Services.
  - Over 5% of contract value Board of Management

### B. EXPENDITURE INCLUDED IN THE BUDGET

1. Where there is only one specialist contractor or supplier
  - Up to £5,000 Relevant Head of Department
  - Up to £10,000 Chief Executive
  - Over £10,000 Board of Management
  
2. All other expenditure

For a detailed list of delegated limits for budgeted expenditure, see the Authorisation of Expenditure procedure in the Financial Regulations.

## 1. INTRODUCTION

- 1.1 Thenue Housing Association is a registered society under the Co-operative and Community Benefit Societies Act 2014, is a Charity registered in Scotland and is authorised and regulated by the Financial Conduct Authority. It is a Registered Social Landlord that provides housing and carries out related activities in the City of Glasgow and Greater Glasgow area. We are committed to rebuilding sustainable communities by developing, managing and maintaining a range of affordable housing. We work with our communities to maximise participation in decision-making and we involve all our partners in promoting social inclusion. We are a membership organisation, and aim to attract people from the groups and communities we serve to become members of the association. We are committed to engaging effectively with the communities that we serve.
- 1.2 Thenue's rules set out the framework for membership of the Association. This policy takes account of the rules, which should be referred to for more detail.

## 2. POLICY AIM

- 2.1 The aim of this policy is to promote good governance of the association and to ensure the proper accountability of our Board by having a membership that is both open and widely reflects the communities and groups that we serve. We also seek to attract people to membership that have an interest in our work. Membership is not a condition of receiving a tenancy with the association.
- 2.2 We are committed to the involvement of tenants and local residents and to consultation with tenants and local residents over those actions or policies which may affect them. Our customer engagement strategy outlines how Thenue promotes tenant engagement as well as ensuring that openness, equality and accountability are at the core of its dealings with tenants and other service users.
- 2.3 Being a member of Thenue offers opportunities for different kinds of involvement, such as:-
  - Attending the annual general meeting and any other general meeting of the association
  - Elect the Board
  - Stand for election to the Board
  - Appoint auditors
  - Receive upon request copies of any of Thenue's policies and procedures or other appropriate information
- 2.4 Members can also become involved through being co-opted to the Board of Management of the association and/or local area associations or various project and working groups. In all instances, membership of the association is not a pre-requisite.

## 3. ELIGIBILITY FOR MEMBERSHIP

- 3.1 Our rules state that membership is open to "...those persons living working or having some other interest in the geographical areas in which the association works or otherwise interested in the activities of the association or organisations who hold a share in the association and whose names are entered in the Register of Members" (Rule 6). You can apply for membership of the Association from the age of 16 (Rule 8).

- 3.2 In practice, this means that we will welcome applications for membership of the Association from individuals who are (this list is not exhaustive):
- Thenue tenants, service users or customers
  - Residents in communities where we have or plan to have housing stock
  - Involved in business, trade or other commercial activities that are located in or which provide services to communities where Thenue has or plans to have housing stock
  - Employed by public or voluntary bodies which are active in communities where Thenue has or plans to have housing stock
  - Active in one or more voluntary bodies that contribute to communities where Thenue has or plans to have housing stock
  - Interested in Thenue's work as a result of previous employment or voluntary activity
  - Supportive of Thenue's aims, objectives and activities
- 3.3 Employees of Thenue and their close relatives may not become members of the association. Anyone with a financial, commercial or business interest in Thenue or its activities may not become a member. Former employees must have an employment break of at least twelve months before being considered for membership.
- 3.4 All applications for membership must be approved by the Board, whose decision is final. The Board will consider all membership applications in accordance with this policy and all applicants will be notified of their decision. Where an application is unsuccessful, the one pound share payment will be returned to the applicant.
- 3.5 All members of Thenue must buy a £1 share and will be issued with a share certificate. Members are entitled to attend and vote at the AGM and all other general meetings. Thenue is required to maintain an accurate register of members which is available for public inspection.

#### **4. PROMOTING MEMBERSHIP**

- 4.1 Thenue actively promotes membership opportunities to potential members throughout the communities it serves. This is done in a variety of ways including:
- Newsletters to tenants contain membership material
  - All new tenants will be introduced to membership when the tenancy agreement is signed and subsequently in any "settling in" visit
  - We will hold ad-hoc Community Conferences with a view to encouraging new tenants, residents and others to consider membership and involvement in the work of the association
  - New members will receive an information pack outlining the association's aims and how the member can contribute to the development of the association
  - Members shall be encouraged to stand for election to the Board. As well as utilising other promotional opportunities outlined above, the relevant association newsletter prior to the AGM will publicise that the AGM is taking place and actively encourage members to stand for election
  - We will make every effort to hold general meetings at times and locations suitable for members and which are accessible to all

## 5. MEMBERSHIP OF THE BOARD

- 5.1 Thenue is run by a Board that is made up of volunteers.
- 5.2 Members of Thenue who wish to play an active part in the association's affairs may seek to join the Board. You must be a member and aged 18 or over to become a committee member (Rule 37.3). The Board has a maximum of fifteen members (Rule 37.1) of which one third must stand down at every Annual General Meeting (Rule 39.1) and can be re-elected (Rule 39.4).
- 5.3 Members of the Board are expected to be able to demonstrate that they have relevant skills, knowledge or experience to help them meet their responsibilities. A role description provides more information on what's involved in being a member of the Board and all Board Members must sign Thenue's Code of Conduct before they can participate in Board meetings. Training will be available and Board members receive no payment for their contribution, other than out of pocket expenses.
- 5.4 Where there are vacancies, the Board can invite people who are not members to join as co-optees, but only until the next AGM.
- 5.5 Thenue seeks to maintain a majority of local people on its Board to ensure that it retains an active and accountable link with those whom it serves. Thenue aims to ensure that the Chairperson of the Board will normally be a Thenue tenant or resident.

## 6. MEMBER PARTICIPATION

We aim to encourage members to participate in our activities. To do this we will:

- Write to every member at least 14 days before the day of a general meeting. This will give details of, the time, date and place of the meeting, whether it is an annual or special general meeting and the business for which the meeting is being called.
- Where information in particular format or language is required Thenue will endeavour to provide this.
- Make every effort to hold such meetings at times and locations suitable for members, and in venues which are accessible to all.
- Keep members informed on all major developments affecting the association.
- Actively promote the opportunities that exist, through election, for serving on the Board. Members will be given notification of the nomination procedure no less than 28 days before the date of the Annual General Meeting.
- Enable members to vote by post should there be an election at Annual General Meetings.

## 7. JOINING

For information about joining Thenue Housing Association Ltd, just contact us. There are a variety of ways to do this:-

- Visit our web-site: [www.thenuehousing.co.uk](http://www.thenuehousing.co.uk)
- E-mail us at [admin@thenuehousing.co.uk](mailto:admin@thenuehousing.co.uk)
- Visit us at 423 London Road, Glasgow G40 1AG
- Write to us at 423 London Road, Glasgow, G40 1AG

### INTRODUCTION

*There are references throughout this Code of Conduct (the Code) to 'you' and 'your' which means the member of the Board of Thenue Housing Association Ltd. who has signed this Code. References to 'we', 'us' and 'our' mean Thenue Housing Association Ltd.*

- 1.1 We attach the greatest importance to ensuring that high standards of governance and ethical behaviour are demonstrated by all of our people and in all of our activities.
- 1.2 This Code of Conduct sets out the requirements and expectations which are attached to your role as a member of our Board. You have a personal responsibility to uphold the requirements of this Code. You cannot be a member of the Board if you do not agree to adopt this Code of Conduct. To confirm that you understand its requirements and accept its terms, you must review and sign this Code annually.
- 1.3 As a Registered Social Landlord (RSL), we are required to adopt and comply with an appropriate Code of Conduct. This Code is based on the Model Code of Conduct produced by the Scottish Federation of Housing Associations. The Scottish Housing Regulator (SHR) has confirmed that this Code fully complies with its Regulatory Standards and their input during the production of this code is acknowledged.
- 1.4 This Code of Conduct is an important part of our governance arrangements. Members of the Board are responsible for ensuring that they are familiar with the terms of this Code and that they always act in accordance with its requirements and expectations. Board Members must always ensure their actions accord with the legal duties of the RSL and with regulatory guidance. You must also ensure you are familiar with any policies which are linked to this code.
- 1.5 If a member of the Board appears to have breached any part of this Code, the matter will be investigated in accordance with the procedures set out in the Protocol for dealing with a breach of the Code of Conduct. A breach of this Code may result in action being taken by the Board to remove the member(s) involved.

### WHO THE CODE APPLIES TO

- 2.1 This Code of Conduct applies to all elected, appointed and co-opted members of our Board and its sub-committees [and to the governing bodies of all subsidiaries and members of the Thenue Housing Group].

### HOW THE CODE IS STRUCTURED

- 3.1 The Code is based on the seven principles which are recognised as providing a framework for good governance. They demonstrate honesty, integrity and probity.
- 3.2 Each principle is described, as it applies to the activities of a RSL and its Board, and supporting guidance is offered for each to provide more explanation of the Code's requirements. The guidance is not exhaustive and it should be remembered that the Board and RSLs are responsible for ensuring that their conduct at all times meets the high standards that the RSL sector is recognised for upholding.

### THE PRINCIPLES

- 4.1 The seven principles and what they mean for the purposes of this Code are:
  - A. Selflessness
  - B. Openness
  - C. Honesty
  - D. Objectivity
  - E. Integrity
  - F. Accountability
  - G. Leadership

**A. Selflessness**

You must act in the best interests of Thenue Housing Association Ltd at all times and must take decisions that support and promote our strategic plan, aims and objectives. Members of the Board should not promote the interests of a particular group or body of opinion to the exclusion of others.

- A.1 You must always uphold and promote our aims, objectives and values and act to ensure their successful achievement.
- A.2 You should exercise the authority that comes with your role as a Board member responsibly and not seek to use your influence inappropriately or for personal gain or advantage.
- A.3 You must accept responsibility for all decisions properly reached by the Board (or a sub-committee or working group with appropriately delegated responsibility) and support them at all times, even if you did not agree with the decision when it was made.
- A.4 If you are unable to support in public a decision that has been properly reached by the Board, you should resign.
- A.5 You must consider the views of others and be tolerant of differences.
- A.6 You must not seek to use your position to influence decisions that are the responsibility of staff (e.g. granting a tenancy, ordering a repair, awarding a contract).
- A.7 You must not seek to use your influence for the benefit of yourself or your business interests, or the benefit of someone to whom you are closely connected or their business interests.
- A.8 Mobile phones should be switched off during meetings, seminars, training courses etc.

**B. Openness**

You must be transparent in all of your actions; you must declare and record all relevant personal and business interests and must be able to explain your actions.

- B.1 You should exercise reasonable skill and care in the conduct of your duties.
- B.2 You should avoid any situation that could give rise to suspicion or suggest improper conduct.
- B.3 You must declare any personal interest(s) and manage openly and appropriately any conflicts of interest and observe the requirements of our policy on the matter.
- B.4 You must not accept any offers of gifts or hospitality from individuals or organisations which might reasonably create – or be capable of creating – an impression of impropriety, influence or place you under an obligation to these individuals or organisations. You must comply with our policy on the matter.
- B.5 You must ensure that you are informed about the views, needs and demands of tenants and service users and that your decisions are informed by this understanding.
- B.6 You must ensure that the organisation is open about the way in which it conducts its affairs and positive about how it responds to requests for information.
- B.7 You must not prevent people or bodies from being provided with information that they are entitled to receive.

**C. Honesty**

You must ensure that you always act in the best interests of the organisation and that all activities are transparent and accountable.

- C.1 You should always act in good faith when undertaking your responsibilities as a Member of our Board.
- C.2 You should use your skills, knowledge and judgement effectively to support our activities.

- C.3 You should ensure that decisions are always taken and recorded in accordance with our Rules and procedures.
- C.4 You must ensure that the organisation has an effective policy and procedures to enable,

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encourage and support any staff or Board member to report any concerns they have about possible fraud, corruption or other wrongdoing.

- C.5 You must report any concerns or suspicions about possible fraud, corruption or other wrongdoing to the appropriate senior person within the organisation in accordance with our whistleblowing policy.
- C.6 You must not misuse, or contribute to or condone the misuse of our resources and must comply with our policies and procedures regarding the use of its funds and resources.
- C.7 We forbid all forms of bribery, meaning a financial or other advantage or inducement intended to persuade someone to perform improperly any function or activity. You are not allowed to accept or give bribes from/to anyone, and must comply with our policy on bribery. You are also obliged to report any instances of suspected bribery within the organisation or any of its business partners.
- C.8 You, or someone closely connected to you, cannot as a result of your role with us receive preferential treatment relating to any services provided by the organisation or its contractors/suppliers, and you should be able to demonstrate this.

#### **D. Objectivity**

You must consider all matters on their merits; you must base your decisions on the information and advice available and reach your decision independently.

- D.1 You must ensure that the decisions that you take are consistent with our aims and objectives and with the relevant legal and regulatory requirements (including those of Scottish Housing Regulator, Office of the Scottish Charity Regulator, Financial Conduct Authority and the Care Inspectorate).
- D.2 You must prepare effectively for meetings and ensure you have access to all necessary information to enable you to make well-informed decisions.
- D.3 You must monitor performance carefully to ensure that the organisation's purpose and objectives are achieved, and take timely and effective action to identify and address any weaknesses or failures.
- D.4 You should use your skills, knowledge and experience to review information critically and always take decisions in the best interests of the organisation, our tenants and our service users.
- D.5 You should ensure that the Board seeks and takes account of additional information and external/independent advice where necessary and/or appropriate.
- D.6 You should ensure that effective policies and procedures are implemented so that all decisions are based on an adequate assessment of risk, deliver value for money, and ensure the financial well-being of the organisation.
- D.7 You should contribute to the identification of training needs, keep your housing and related knowledge up to date, and participate in training that is organised or supported by us.

#### **E. Integrity**

You must actively support and promote our values; you must not be influenced by personal interest in exercising your role and responsibilities.

- E.1 You must always treat your Board colleagues, our staff and their opinions with respect.
- E.2 You must always conduct yourself in a courteous and professional manner; you must not, by your actions or behaviour, cause distress, alarm or offence.
- E.3 You must declare any personal interests in accordance with this Code (see procedure on Managing and Declaring Personal Interests); in the event that you have a continuing personal interest which conflicts with our activities, values, aims or objectives, you should resign.
- E.4 You must ensure that you fulfil your responsibilities as they are set out in the relevant role description; that you maintain relationships that are professional, constructive and that do not conflict with your role as a member of the Board.

- E.5 You must uphold our equality and diversity, whistleblowing and acceptable use policies.
- E.6 You must respect confidentiality and ensure that you do not disclose information to anyone who is not entitled to receive it, both whilst you are a member of the Board and after you have left.
- E.7 You must observe and uphold the legal requirements and our policies in respect of the storage and handling of information, including personal and financial information.
- E.8 You must not make inappropriate or improper use of, or otherwise abuse, our resources or facilities and must comply with our policies and procedures regarding the use of its funds and resources.
- E.9 You must not seek or accept benefits, gifts, hospitality or inducements in connection with your role as a member of our Board, or anything that could reasonably be regarded as likely to influence your judgement. You must not benefit, or be perceived to benefit, inappropriately from your involvement with the organisation and must comply with our policies on the matter.

**F. Accountability**

You must take responsibility for and be able to explain your actions, and demonstrate that your contribution to our governance is effective

- F.1 You must observe and uphold the principles and requirements of the Regulator's Regulatory Standards of Governance and Financial Management, guidance issued by the SHR and other regulators, and ensure that the legal obligations of Thenue Housing Association Ltd are fulfilled.
- F.2 You must ensure that we have effective systems in place to monitor and report its performance and that corrective action is taken as soon as the need is identified.
- F.3 You should contribute positively to our activities by regularly attending and participating constructively in meetings of the Board, its committees and working groups.
- F.4 You should always be courteous and polite and behave appropriately when acting on our behalf.
- F.5 You must participate in and contribute to an annual review of the contribution you have made individually to our governance.
- F.6 You must ensure that there is an appropriate system in place for the support and appraisal of our Senior Officer and that it is implemented effectively.
- F.7 You must not speak or comment in public on our behalf without specific authority to do so.
- F.8 You must co-operate with any investigations or inquiries instructed in connection with this Code.
- F.9 You recognise that the Governing Body as a whole is accountable to its tenants and service users, and you reflect this in your actions as an individual.

**G. Leadership**

You must uphold our principles and commitment to delivering good outcomes for tenants and other service users, and lead the organisation by example.

- G.1 You must ensure that our strategic aims, objectives and activities deliver good outcomes for tenants and service users. You must ensure that you make an effective contribution to our strategic leadership.
- G.2 You must ensure that our aims and objectives reflect and are informed by the views of tenants and service users.
- G.3 You must always be a positive ambassador for the organisation.
- G.4 You must participate in and contribute to the annual review of the Board's effectiveness and help to identify and attain the range of skills that we need to meet our strategic objectives.
- G.5 You must not criticise the organisation or our actions in public.
- G.6 You must not criticise staff in public; any staffing related matters should be discussed

- privately with the Chairperson and/or Senior Officer.
- G.7 You must not use social media to criticise or make inappropriate comments about the organisation, its actions or any member of the Board, staff or other partners.
- G.8 You must not act in a way that could jeopardise our reputation or bring us into disrepute.

## **DECLARING AND MANAGING PERSONAL INTERESTS**

### **General**

- 5.1 Being a member of our Board is of course only one part of your life. Other aspects of your life - such as family, friends and neighbours, voluntary work, causes you support, possibly business or financial interests, possibly your own housing arrangements - may have the potential to cross over into your role as a Board Member.
- 5.2 However, as we are an organisation that works for the community [and uses public funds], it is essential that there is no conflict - and that there can be no reasonable perception of conflict - between your duties as a Governing Board and your personal (or personal business or financial) interests.
- 5.3 Any potential conflict between your position as a member of Board and your other interests must be openly declared and effectively managed so as to protect the good reputation of Thenue Housing Association Ltd. and the RSL sector.
- 5.4 Where you have a personal business or financial interest in any matter that is relevant to our activities or is being considered (or is likely to be considered) or you know that someone to whom you are closely connected has such an interest, you must declare it promptly and record it in the Register of Interests.
- 5.5 A situation may arise where you are invited to be present at a meeting where a matter in which you have a personal (or a personal business or financial) interest is discussed. In such cases you must inform the meeting Chairperson at the start of the meeting, or as soon as you become aware that this is the case. You would then be required to leave the meeting for the duration of the particular item. If in any doubt, you should ask the meeting Chairperson or another senior person present for guidance. This applies to all meetings that you attend as a member of our Board – both internal and external.
- 5.6 You must keep your entry in the Register of Interests up to date, add any new interests as soon as they arise, and amend existing interests as soon as any change takes effect.
- 5.7 Any failure to make a complete, accurate and prompt declaration - whether deliberately or through taking insufficient care - will be regarded as a breach of this Code.

### **Examples of interests that must be declared**

- 5.8 The following are examples of the kind of interest that you must declare. Please note that this list is not exhaustive, and there may be other interests that you should also declare.
- Tenancy of a property (by you or someone to whom you are closely connected) of which we are the landlord.
  - Occupancy or ownership of a property (by you or someone to whom you are closely connected) which is factored or receives property related services from us.
  - Receipt of care or support services from us.
  - Membership of a community or other voluntary organisation that is active in the area(s) we serve.
  - Voluntary work with another RSL or with an organisation that does, or is likely to do, business with us.
  
  - Membership of the governing body of another RSL.
  - Being an elected member of any local authority where we are active.
  - If you purchase goods or services from us.
  - If you purchase goods or services from one of our approved contractors or

Framework Agreement partners.

- Significant shareholding in a company that we do business with.
- Membership of a political, campaigning or other body whose interests and/or activities may affect our work or activities.
- Ownership of land or property in our areas of operation excluding for the purpose of your own residential use (i.e. there is no requirement for you to declare any house in which you currently live).
- Unresolved dispute relating to the provision of services in connection with a tenancy or occupancy agreement or a contractual dispute over the provision of goods or services with us.

5.9 If you are not sure whether a certain matter needs to be declared, you must seek guidance from the Chairperson or CEO. If doubt remains, the advice would always be to declare the matter.

5.10 You should note that in some circumstances, declaration of an interest may not be sufficient, and that it may be necessary for the organisation to take additional measures to deal satisfactorily with the situation so as to protect the probity and reputations of both yourself and the organisation.

**Definition of ‘closely connected’**

5.11 Someone ‘closely connected’ to you includes family members and persons who might reasonably be regarded as similar to family members even where there is no relationship by birth or in law.

5.12 The following table outlines those who you should consider when declaring interests:

**Table A**

<b>Group 1 Members of your household</b>	<b>Group 2 People closely associated with you</b>	<b>Group 3 Others you need to consider</b>
Anyone who normally lives as part of your household, whether they are related to you or not, including spouses/partners who work away from home and sons and daughters who are studying away from home	<ul style="list-style-type: none"> <li>• Parents, parents-in-law and their partners</li> <li>• Sons and daughters; stepsons and step-daughters and their partners</li> <li>• Brothers and sisters and their partners</li> <li>• A partner’s parent, child, brother or sister</li> <li>• Grandparents, grandchildren and their partners</li> <li>• Someone who is dependent on you or whom you are dependent on</li> <li>• Close friends</li> </ul>	<p>Other relatives (e.g. uncles, aunts, nieces, nephews &amp; their partners)</p> <p>Other friends (e.g. someone you are acquainted with socially, neighbours, business contacts/associates)</p>

5.13 If you are aware of any action or involvement relating to anyone in the table then you should declare and manage this as soon as possible.

5.14 However, we recognise that you will not always be closely acquainted with or in regular contact with all of the people listed and we do not expect you to go to unreasonable lengths to identify actions or involvement that are covered by this policy.

5.15 Please note, we do expect you to be familiar with the actions of members of your household (Group 1) and of any other people listed in the table above with whom you are closely associated and/or in regular contact and you must take steps to identify, declare and manage these.

- 5.16 You are not expected to be aware of the actions of people in groups 2 and 3 that you do not have a close association and/or regular contact with. We do not expect you to research into the employment, business interests and other activities of all persons with whom you are closely connected.
- 5.17 In relation to the above, when considering your actions you should do so from the point of view of a reasonable and objective observer.
- 5.18 You are required to complete an annual declaration on any disclosure of interests, your eligibility to service and health and safety responsibilities. This form will be issued electronically to all staff and committee members.

#### **BREACH OF THIS CODE**

- 6.1 Each member of the Board has a personal and individual responsibility to promote and uphold the requirements of this Code. If any member of the Board believes that they may have breached the Code, or has witnessed or has become aware of a potential breach by another member, they should immediately bring the matter to the attention of the Chairperson.
- 6.2 Alleged breaches of the Code of Conduct will be dealt with by the Chairperson, with the support of the Senior Officer where appropriate. Where the allegation of a breach is against the Chairperson, the Vice-Chairperson will be responsible for leading the investigation. The procedure for dealing with alleged breaches is described in the Breach of the Conduct for Governing Body Members.
- 6.3 Each member of the Board has a duty to co-operate with and contribute to any investigation relating to the Code of Conduct.

### 1. POLICY STATEMENT

- 1.1 Board members may be reimbursed for expenses necessarily incurred on approved association business in accordance with guidelines laid down by the Board and set out below. Thenue will adhere to guidance on good practice published by SFHA, Scottish Housing Regulator, and EVH.
- 1.2 In particular, our aim is to conduct our affairs with honesty and integrity and the payment of expenses to Board members is limited to out of pocket expenses incurred in connection with the duties of a Board member. This policy details under what circumstances and when expenses will be payable and sets out limits on the maximum level of expenses that will be paid in certain circumstances. In some instances we have in place an allowance, and when allowances, rather than actual expenses are paid to Board members of the to cover out of pocket expenditure (e.g. for subsistence when attending conferences) then the scale of the allowances is, we feel reasonable.

### 2. PROCEDURE

- 2.1 Claims should be made on the appropriate form and be accompanied by receipts. Claims should be countersigned by authorised senior staff (i.e. the Chief Executive or a member of the Executive Team) and given to the Administration Officer.
- 2.2 Payment will normally be made by cheque or from petty cash (depending on the amount).
- 2.3 If necessary an advance may be made for anticipated expenses and the claim finalised when receipts are available. In some cases staff will make travel arrangements and no claims will be necessary.
- 2.4 Claims should be submitted promptly after the expense has been incurred.

### 3. TRAVEL

- 3.1 Travel claims must be for the actual costs incurred. In the interests of prudence the method of travel chosen should have regard to costs as well as convenience and personal safety.
- 3.2 Travel will normally be by public transport if available with taxis used if necessary or cheaper.
- 3.3 An account has been agreed with a local taxi firm for Board members' use. Board members should identify themselves as a member of Thenue and give the 'pin' number. A card with appropriate details will be supplied to each Board Member who should obtain a receipt at the end of the journey and provide it to the Administration Officer at the first opportunity.
- 3.4 Alternatively Board members may use another taxicab. In this case a receipt should be obtained to accompany the standard claim form.
- 3.1 In the case of rail travel where possible staff will arrange to purchase tickets in advance on behalf of Board Members attending conferences or similar events.

- 3.2 Mileage may be paid for the use of private cars when necessary or cheaper, for example several members travelling together. Payments will be made at the current rates agreed annually in April by Employers in Voluntary Housing, applicable to staff.

#### **4. SUBSISTENCE AND ACCOMMODATION**

- 4.1 The reasonable cost of meals, by prior agreement, for a Board member and guests on approved Thenue business will be reimbursed on production of receipts. No subsistence will be paid in respect of day conferences or seminars where meals are provided.
- 4.3 The cost of overnight accommodation and subsistence will be reimbursed, where details are agreed in advance, on production of receipts.
- 4.4 When a Board member attends a residential event, an allowance of £40 per night away from home will be made. This is intended to cover out of pocket expenses including refreshments, phone calls and other incidental expenses.

#### **5. CARE OF DEPENDENTS**

- 5.1 The reasonable costs of childcare or the care of adult dependents necessarily incurred as a consequence of attending to authorised Board business will be reimbursed on production of proof of payment.
- 5.2 Payment will be made for children less than 16 years of age and for adult dependents who are in receipt of Disability Living Allowance, or can otherwise demonstrate need.
- 5.3 Payment will only be made if a person not resident in the household is required to provide the service. When an appropriately qualified person has carried out the child minding or has taken care of the dependent, the expenses paid will be in accordance with an invoice provided by that person that confirms their actual cost. Expenses will not be paid when another member of the household is looking after the child or other dependent. It will be acceptable for the Board member to make a payment to another close relative who is not a member of the household and have this reimbursed, providing that the costs are reasonable. We therefore will pay not more than the current national minimum wage for care of dependents. Thenue will pay the current rate which can be found on HM Revenue and Customs website [www.hmrc.gov.uk](http://www.hmrc.gov.uk)
- 5.4 All rates are to a maximum of 10 hours per 24 hour period, and the rate is applied irrespective of the number of dependents that are in the household.
- 5.5 On appropriate occasions a crèche may be provided and paid for by Thenue.

#### **6. LOSS OF EARNINGS**

- 6.1 Thenue will pay a Board Member's loss of earnings only in very specific circumstances which comply with regulatory guidance.
- 6.2 Thenue will therefore make payment for loss of earnings to a member of the Board to cover attendance at a meeting or an event providing that: -
- a) The payment is not being made in respect of a routine meeting, and
  - b) Attendance by the person claiming loss of earnings is important e.g. participation on an interview panel ; and

- c) Every effort was made to hold the relevant meeting at a time which would avoid Board Members losing salary or leave, having regard to the cost of other options such as overnight accommodation costs; and
- d) The Board member concerned provides a letter from their employer confirming that earnings have been lost or leave entitlement had to be used, and the amount or value involved; and

Thenue will pay the current rate which can be found on HM Revenue and Customs website [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

6.3 Board Members who are self-employed are not eligible for loss of earnings.

## **7. OTHER EXPENSES**

The cost of telephone calls, postage or other outlays will be reimbursed on production of an appropriate receipt or if agreed in advance.

## **8. TAX LIABILITY**

Board members are personally responsible for any tax liability on expenses claimed from the association.

## **9. MONITORING**

The Board will receive an annual report on the expenses paid to members.



### 1. INTRODUCTION

- 1.1 The Housing (Scotland) Act 2010 does not restrict or prohibit the types of payments and benefits that housing associations can make to staff, Board members and relatives of staff and Board members. It is therefore up to the association to decide if, and how, it wants to manage payments and benefits to its governing body members, staff and their close relatives. The Charities and Trustees Investment (Scotland) Act of 2005 permits our Board Members to be remunerated for services provided to the association in certain circumstances. In order for remuneration to be permitted any remuneration must be in the best interests of the charity and fewer than half of the Board members at any one time can be remunerated.
- 1.2 Thenue's stance on this issue is very clear, and that it wishes to account for any payments and benefits in exactly the same way that it did when schedule 7 of the 2001 Housing (Scotland) Act was in operation. The association wants it to be very clear that its governing body members carry out that role in a voluntary capacity. They are not remunerated in any way, and occasionally, subject to specific criteria, are allowed to claim 'out of pocket' expenses only in accordance with our agreed policy that forms part of this Handbook.
- 1.3 The restrictions also apply to governing body members of Thenue's area associations with a minute of agreement in place, and to board members of any subsidiary or related company within our group structure.
- 1.4 This policy should be read in conjunction with Thenue's policies on Gifts and Hospitality, Board Expenses and Codes of Conduct.

### 2. A SUMMARY OF THE PROVISIONS

- 2.1 Payments and benefits include:
  - a) Granting a tenancy or shared-ownership agreement;
  - b) Granting of a shared equity house;
  - c) The purchase or sale of property (except right to buy sales);
  - d) The award of a contract of employment;
  - e) The award of a commercial contract such as a building contract, letting of commercial premises or provision of services or supplies;
  - f) Use of the housing association premises for non Housing Association business except where the value is minimal;
  - g) Payments to staff outwith the terms of their contract.
- 2.2 "Relevant persons" are defined as
  - a) The Board or staff member;
  - b) Their spouse, civil partner or cohabitee;
  - c) The person's parent, grandparent, child, stepchild, brother or sister including those relationships created by marriage or civil partnership;
- 2.3 A 'relevant business' is one that trades for profit where a 'relevant person' is a principle proprietor or is directly involved in the management of the business. Payments must not be made to a 'relevant business' either direct or through a third party, e.g. a nominated sub-contractor.
- 2.4 We allow for both 'general exceptions' and 'special exceptions'. The two main general exceptions affecting the association are:

- a) Payments made or benefits granted to an employee under his or her contract of employment (these are subject to certain restrictions);
- b) Payment of expenses to Board members (these have to be in line with approved policy).

2.5 There are also six special exceptions, and they are:-

- a) The granting of a tenancy or shared ownership or shared equity agreement to a Board member or other relevant person, if this does not represent favourable treatment;
- b) The offer of employment or contract for the provision of services, (e.g., specialist advice), to someone who is, or has been in the last twelve months, a member of our Board or to anyone who is related to a member of the Board is not permitted.

An offer of employment (temporary or permanent) to someone who is closely connected to a member of staff is permitted under certain circumstances.

- c) Making a specific payment (e.g. a decoration allowance or an ex-gratia compensation payment) or carrying out work to a tenant's house which otherwise would be prohibited;
- d) Making a voluntary severance payment to an employee which is outside the contract of employment, under particular conditions;
- e) Making a payment or granting a benefit to a relevant business – in certain circumstances'
- f) Payment of loss of earnings for attending to association business.

2.6 These benefits may be granted provided that:

- a) The payments are within the scope of the association's rules and charitable status;
- b) They fall within approved policy and practice of the association;
- c) The decision to award the payment or benefit is taken by the Board with 'relevant persons' absent;
- d) A register is maintained recording the granting of each payment or benefit.
- e) If the association is found to be unreasonably in breach of these regulations, the recovery or the payment or benefit may be directed by The Scottish Housing Regulator

2.7 Minor (or "de minimus") payments and benefits, which have no substantive value or material consequence, for instance gifts of small value, promotional material or donations, should not breach our policy provided that there are appropriate policies and controls in place.

2.8 We do occasionally, when appropriate, offer small gifts of a condolence nature, specifically when one of our Board Members or staff finds themselves going through a difficult time. Therefore when appropriate, which includes situations when one of our people is either in hospital, or they are living through the bereavement of either a partner or a child, a small condolence flower arrangement and a sincere message can be sent by the association. In all circumstances this must be agreed by the Chief Executive and will be entered into our

'payment and benefits' register.

### 3. POLICY

- 3.1 It is the policy of Thenue to operate in accordance with both the Housing (Scotland) Act 2010 and the Charities and Trustee Investment (Scotland) Act 2005, and with any guidance issued by both parties,
- 3.2 Thenue will operate in an open and transparent way on all matters and at all times. Any Board or staff member who considers that they may have a conflict of interest in any item of business should declare this in accordance with Thenue's Code of Conduct and Standing Orders. If it is determined that the matter falls within the scope of this policy, the appropriate procedure will be followed.
- 3.3 All payments or benefits to a 'relevant person' or a 'relevant business' will be made in accordance with Thenue's policies and procedures. We will operate within the spirit of the guidance and not just within the written definition of 'close relative'.
- 3.4 Thenue will apply this policy and procedure to members of the governing bodies of Area Associations, and subsidiary companies operating within the structure of the Thenue group as well as to Board members and staff of Thenue.
- 3.5 Thenue will maintain a Control of Benefits and Payments Register in which all decisions on the making of payments or the granting of benefit shall be recorded. This register shall be available for inspection at the association's registered office.

### 4. PROCEDURES

- 4.1 The following procedures shall apply to main category of allowable payment or benefit.

#### **General Exceptions**

- 4.2 Routine payments and benefits such as salaries and Board travel expenses which fall within the category of general exceptions shall be processed in accordance with Thenue's policies and procedures without recourse to the Board. For the avoidance of doubt, such payments do not require to be recorded in a Register.

#### **Special Exceptions**

- 4.3 All payments and benefits, which fall within the category of special exceptions, shall be the subject of a report by the Chief Executive or other appropriate senior officer to the Board. The following process will always apply:
  - 4.4 The 'relevant person' shall declare his/her interest and leave the meeting while the matter is considered.
  - 4.5 The Board shall satisfy itself that the 'relevant person' or 'relevant business' is entitled to the payment or benefit under the association's policies and procedures.
  - 4.6 The decision of the Board shall be recorded in the minutes of the meeting and in the Control of Benefits and Payments Register.
  - 4.7 Specific procedures shall apply to the granting of tenancies and awarding of a contract of employment as detailed below

#### **Tenancies**

- 4.8 If through the operation of the association's approved allocations policy a 'relevant person' is identified as eligible to be offered a tenancy or shared ownership house the following procedure will be adopted:
  - a) The appropriate Manager will compile a file of all papers relating to the applicant and the selection process and confirm that in his/her opinion the offer is in accordance with the policy.
  - b) The Director of Community Housing Services will check the papers and confirm that in his opinion the offer is in accordance with policy and should be made.
  - c) A recommendation will be made to the Executive Team, in accordance with the Scheme of Delegation who, provided they are satisfied that all relevant policies

have been complied with, will authorize that the offer is made. Any staff member affected will declare an interest and take no part in the decision.

### **Recruitment**

- 4.9 In relation to the possible employment of a 'relevant person', the following procedure will be adopted:
- a) Thenue's application form for employment will require that an applicant indicate whether they are related to a current employee or Board member.
  - b) An application made by a relative of either a current Board member, or anyone that has been a Board Member within the last twelve months, cannot be considered and no offer of employment can be made.
  - c) An employee who is a relative of an applicant shall not take part in short-listing or any other part of the recruitment process;
  - d) If a relative of an employee is selected as the preferred applicant, the recommendation from the interview panel shall be referred to the Chief Executive for decision;
  - e) Notwithstanding the association's policy on equal opportunities in employment, the recruitment of a close relative of an existing employee is not permitted where e.g. relatives would work in the same team or in a line management relationship. The Chief Executive shall satisfy him/herself that the relationship would not be likely to create special problems for the association as employer.

## **5. BREACHES OF THIS POLICY**

- 5.1 In the event of any breach of this policy by a member of the Board or an employee, the Board will take the action it considers appropriate in the light of the seriousness of the matter. This may include action under the Code of Conduct for Board Members or disciplinary action under the Terms and Conditions of Employment for employees. Where any such action is in breach of the Code of Conduct, this will be investigated and may be reported to the Scottish Housing Regulator as a Notifiable Event.

### 1. INTRODUCTION

This note sets out policy and practice in relation to acceptance of gifts or hospitality which may be offered to Board members or staff whilst on Thenue business.

### 2. POLICY GUIDELINES

- 2.1 The Scottish Federation of Housing Associations, (SFHA) Code of Governance for Board Members was revised in July 2014. The purpose of the Code is to ensure the highest standards of integrity in the management of the voluntary housing movement. The Scottish Housing Regulator requires all RSLs to have appropriate policies in place to deal with gifts and hospitality. It is the aim of this policy to do this.
- 2.2 In addition, Thenue's own Code of Conduct for Board Members requires that Board members *"must not accept gifts or hospitality without reporting offers to the Board"*.
- 2.3 Conditions of Service for Staff state in Section C1 Para 8 *"Employees should not accept any gift, favour or hospitality which is intended as, or might be deemed by others to have the effect of an inducement. It is normally clear whether an offer of hospitality etc. from another party might be considered excessive or unreasonable. However, if there is any doubts contact your Departmental Manager or the Chief Executive"*.
- 2.4 Thenue will not normally give or accept gifts or hospitality. There are certain exceptions permitted, the provisions of this policy are observed. We aim to conduct our affairs with honesty and integrity and to ensure transparency and openness; therefore we maintain a register of gifts and hospitality. The register will record gifts offered and declined and gifts given, regardless of value.

### 3. INTERPRETATION AND PRACTICE IN THENUE

In order to avoid compromising either individual Board members, staff or the Association as a whole, no gifts or hospitality except of a very minor nature should be accepted without approval, as appropriate, of the Board, Chief Executive or member of the Executive Team.

### 4. GIFTS

Gifts of significant value should be refused. "Significant" will be defined as above £40 in value. Gifts will normally be accepted on behalf of the association rather than on a personal basis (except where this is impossible, e.g. a present of hand-knitted socks for a Development Officer!).

## **5. HOSPITALITY**

- 5.1 All hospitality of a significant value aimed at an individual staff or Board member, i.e. exceeding £40 in value, should be refused, as this could be seen as improperly influencing the decision of a Board or staff member.
- 5.2 Hospitality of a minor nature, e.g. the purchase of a drink may be accepted and need not be reported. However Board members and staff should avoid being invited for meals by suppliers or contractors, or attend “hospitality room” events at conferences without reporting the matter and being clear that no obligation is being established in return.

## **6. REGISTER AND REPORTING**

- 6.1 Thenue will maintain a register of gifts and hospitality received. This will include details of the date, the nature of the gift/hospitality, from whom it was received and the approximate value. All gifts and hospitality exceeding the equivalent of a coffee and biscuit should be formally recorded. This avoids judgement needing to be exercised by the individual about what to enter. The register should be completed either prior to acceptance or as soon as possible thereafter. Failure to record receipt of gifts or hospitality will be regarded as a serious matter. The register of gifts and hospitality is available for public inspection, on demand, during normal office hours.
- 6.2 A report on the receipt of gifts and hospitality will be made to the Board annually. Very substantial offers, e.g. the financing of a social event or a contribution to a capital project will be reported at the time, should such offers be made.

## 1. INTRODUCTION

Thenue recognises that the association operates in a fast-changing environment and that ongoing investment in learning and development is essential. This policy sets out Thenue's aims and objectives for our Board members, (including potential Board members), and the framework for implementing this. Learning and development is important to us, and we do have a separate policy for staff

## 2. AIMS - BOARD

Thenue's aims in relation to Board learning and development are underpinned by our commitment to continuous improvement and learning by building up a personal learning and development plan on an annual basis. Our aims are to:

- 2.1 Attract and retain new people with an interest and passion for what we try to do as a well established community controlled housing association. This means that we want to help our people achieve their full potential and feel that in their role as a Board member they are making a positive contribution. Our aim is to help people grow and develop individually, as well as making this contribution, and we are there to help make this happen.
- 2.2 Encourage both board members and potential board members to participate in and contribute to training activities and events.
- 2.3 Have in place a Board made up of suitably skilled and experienced members who have all the necessary skills to lead the organisation.
- 2.4 Ensure that board members have learning and training opportunities, which enable them to fulfil their role effectively.
- 2.5 Assess the needs of individual Board members, in relation to their role(s) within Thenue, for training and personal development, identify individual training plans and targets, and monitor progress.
- 2.6 Review the contributions of individual Board members annually to ensure that they feel well supported and valued and that their contribution is effective and recognised

## 3. OBJECTIVES – BOARD

Thenue will:

- 3.1 Agree an annual training budget for board members and potential members which relates to the business requirements of the organisation.
- 3.2 Subscribe to appropriate agencies which provide board member training services.
- 3.3 Circulate information about training opportunities; raise all notification of training events at meetings of the Board, Sub-Committees, Area Associations, working and advisory groups or on an ad-hoc basis.
- 3.4 Ensure that all Board members take part in annual performance reviews to assess their individual contribution and effectiveness. These will enable the Board to carry out

effective and informed succession planning. Annual reviews are s carried out by the Chairperson and Chief Executive together.

3.5 Ensure that individual Board Members are able to gain or refresh their skills and expertise, and provide Board Members with ongoing support and training to sustain their continued effectiveness.

3.6 New Board Members are assisted through a similar process. Thenue implements an approved Induction Policy that helps new Board members to understand their role, responsibilities and duties as non-executive members in the governance of the organisation.

#### **4. IMPLEMENTING THE POLICY FOR THE BOARD**

4.1 Thenue will:

- Arrange introductory information sessions for new and potential board members.
- Distribute various governance policies, Internal Management Plan summaries, and other important information to all Board members, together with other relevant general training material, e.g. EVH's 'Jargon Journal'.
- Organise visits to our communities and housing, hold regular briefing sessions on specific topics including guidance on good practice; encourage board members to attend events organised by SFHA, SHARE, Employers in Voluntary Housing, the Chartered Institute of Housing and other appropriate bodies and report back to the Board on the content of events attended.
- After attendance at an event, board members will be required, to complete an 'evaluation' sheet.

#### **5. REPORTING**

The Board will receive appropriate reports of training activities and achievements and shall approve the annual training and development budget.

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### TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

#### 1. INTRODUCTION

The Nomination Committee is responsible for overseeing the recruitment of new Board of Management members. This terms of reference for the nomination committee seeks to comply fully with the requirements of the UK Corporate Governance Code, published July 2018 (the Code). The Code is available at [www.frc.org.uk](http://www.frc.org.uk). It is important to recognise the links and overlap between the responsibilities of board committees and consequently the need for each board committee to have full knowledge of the deliberations of other committees, which are generally set out in the association's current rules (section 58.1 to 58.4).

#### 2. MEMBERSHIP

The committee shall comprise of at least three Board of Management members. Only members of the committee have the right to attend meetings, however, other individuals such as the Chief Executive, the Corporate Services Manager or other relevant advisers may be invited to attend for all or part of any meeting, as and when appropriate. The Board shall appoint the committee chair who should be either the chair of the Board of Management or any other non-executive director. In the absence of the committee chair the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board of Management.

#### 3. SECRETARY

The company secretary, shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

#### 4. QUORUM

The quorum necessary for the transaction of business shall be three non-executive directors.

#### 5. FREQUENCY OF MEETINGS

The committee shall meet as many times as necessary in order to be in a position to make a clear recommendation(s) to the Board of Management.

#### 6. NOTICE OF MEETINGS

Meetings of the committee shall be called by the Secretary at the request of the committee chair or any of its members. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.

## **7. MINUTES OF MEETINGS**

The Secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance. Draft or complete minutes of committee meetings shall be circulated to all Board of Management members.

## **8. DUTIES**

The general over-arching task of this committee is to be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise. The committee shall therefore:

- Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the board with regard to any changes.
- Ensure plans are in place for orderly succession to Board positions, and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the organisation, and the skills and expertise needed on the Board in the future.
- Prepare a description of the role and capabilities required for a particular appointment and the time commitment expected. In identifying suitable candidates the committee shall use open advertising or the services of external advisers to facilitate the search.
- Review the results of the process that relate to the composition of the Board and succession planning.

## **9. REPORTING RESPONSIBILITIES**

The committee chair shall report to the Board after each meeting on the nature and content of its discussion, recommendations and action to be taken. The committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

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