

**SOUTH NORTHANTS HOMES**

**STANDING ORDERS  
TERMS OF REFERENCE  
AND CODE OF  
CONDUCT**

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**APRIL 2008  
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# 1 INTRODUCTION

1.1 The Standing Orders are not intended to replace or alter the Rules of the Association, which have been approved by the Financial Services Authority and the Housing Corporation rather they are intended to:

1.1.1 amplify those parts of the Rules relating to the powers, membership, convening and conduct of meetings;

1.1.2 outline the responsibilities and level of authority of the Association's Board, Committees, and the individual Members;

1.1.3 provide a sound and clear basis for the conduct of the Association's business;

1.1.4 take into account the Intra Group Agreement between the Association and its Parents.

1.2 All Board Members hold the responsibility of trustees and have a fiduciary responsibility to the Members of the Association. Therefore, in conducting its business, they must at all times concern themselves with two principal questions:-

1.2.1 whether the Association is keeping within its objectives and powers;

1.2.2 whether its actions are financially responsible.

In addition each Board Member is under an obligation to:-

1.2.3 uphold the values and objectives of the Association;

1.2.4 uphold the Association's core policies;

1.2.5 contribute to and share responsibility for the Board's decisions;

1.2.6 prepare for and attend meetings, training sessions and other events;

1.2.7 represent the Association on occasion;

1.2.8 declare any relevant interests;

1.2.9 respect confidentiality of information; and

1.2.10 uphold the Code of Governance adopted by the Board.

1.3 The Housing Corporation expects the Board to ensure that the Association's interests are protected.

- 1.4 The Managing Director has the duty and the right to make all reasonable enquiries should he or she believe that a breach of the law or the Rules has occurred.
- 1.5 Details of the delegation of financial authority are given in the Association's Financial Regulations.

## **2 MEMBERSHIP OF THE BOARD AND COMMITTEES**

- 2.1 The Association has a Board which has overall responsibility for the organisation and its Committees.
- 2.2 The Board is made up of:-
- 2.2.1 members elected by a General Meeting;
  - 2.2.2 nominated representatives of South Northamptonshire Council or its successors;
  - 2.2.3 representatives of the tenants;
  - 2.2.4 members appointed by the Board to casual vacancies during the course of the year;
  - 2.2.5 co-optees, who may or may not be Members, appointed by the Board at its discretion.
- 2.3 The number of Board Members excluding co-optees will not exceed fifteen. The Membership of any Committee shall be determined by the Board. Every Committee shall include at least one Board Member or co-optee to the Board. The Board will appoint the Chair of any Committee and shall specify the quorum.
- 2.4 One third of the Board Members in category 2.2.1 and 2.2.3 retires each year at the Annual General Meeting. Members in Category 2.2.1 may stand for re-election without nomination. All Members in category 2.2.4 retire at the next AGM following their appointment and may be nominated to stand for re-election. There shall be a maximum of five Local Authority Members on the Board. Tenant representatives on the Board shall not exceed five. Co-opted Members (category 2.2.5) are appointed solely at the discretion of the Board. Unless specifically resolved otherwise, any co-option shall cease at the end of the last Board meeting prior to the AGM. Tenant Board members shall be nominated from Customer Committee. The Board is responsible for approving the nominations from the Customer Committee.
- 2.5 The Board will confirm the Membership of any Committee or other Board Member group and should give due regard to individual Member's skills and experience. Other Board Members may attend Committee meetings as observers but without the right to speak (other than with the agreement of the Chairperson) and with no right to vote.
- 2.6 By notice in writing to the Secretary, the Parent may appoint and remove all Board members (or co-optees) and such appointments and removals shall be effective immediately upon receipt of such notice by the Secretary.

### **3 THE DUTY OF STAFF TO THE BOARD AND COMMITTEES**

- 3.1 It is the duty of the Association's Managing Director and staff to ensure that the Board and its Committees are informed so as to be able to carry out their responsibilities. The Board and Committees comprise volunteers including some lay Members. In order to keep them informed, staff must provide useable, clear and concise information and not overwhelm Committees with data from which it is difficult to extract the key points.
- 3.2 The following general principles should be followed by officers. Whenever practical, agenda items requiring decision should be supported by a written report. This written report should state clearly:
  - 3.2.1 the purpose of the report;
  - 3.2.2 any recommendations or, if none, why the report is being presented;
  - 3.2.3 any financial consequences and other resource implications;
  - 3.2.4 whether the recommendation conflicts with existing Association policy or creates a precedent affecting other areas.
- 3.3 Written reports should be sent out so that Board Members have them at least three working days before a meeting. Items should not be tabled at Board or Committee meetings unless genuinely urgent, and in such case only with the prior agreement of the Chairperson.
- 3.4 In between programmed Board meetings, the Managing Director or with his/her sanction the appropriate Manager is authorised, in consultation with the Chairperson of the Board or the Chairperson of any Standing Committee, to deal with urgent work arising at any time. Any such action is to be reported to the next Board or appropriate Committee meeting. As a general rule, the authority described in this section does not extend to urgent key decisions which should be the subject of a specially convened meeting. In the event of extreme urgency and only in exceptional circumstances which do not permit delay the Chairperson is authorised after consulting with as many Members as time permits to act. In these circumstances a formal record should be made of those Members consulted and their views which shall be reported to the next meeting of the Board.

#### **4 EMPLOYEES' INTERESTS**

- 4.1 The Managing Director is to keep a record of all declarations of interests of employees and this record is to be available at all reasonable times for public inspection.
- 4.2 Any candidate for a position in the employment of the Association who canvasses Members directly or indirectly will be disqualified.
- 4.3 No Member of the Association may recommend anyone for appointment or promotion; although, if requested, a written reference can be given.
- 4.4 Details of the relationship of any candidate for appointment with any Member or officer of the Association shall be required to be indicated on their application. Any candidate who fails to make such a disclosure will be disqualified and, if appointed, may be dismissed.
- 4.5 Every Member and officer of the Association is required to disclose to the Managing Director his/her relationship with any candidate for appointment. Such information shall be communicated to the Selection Panel before the appointment is made.
- 4.6 Where a relationship to a Member of the Association is so disclosed, the matter will be referred to the Managing Director who will decide what action should be taken.

## **5 OFFICERS**

- 5.1 Under its Rules and the law, the Association must have a Secretary appointed by the Board. The Managing Director will act as the Secretary on behalf of the Association.
- 5.2 The Board will also elect the following officers:
  - 5.2.1 Chairperson
  - 5.2.2 Vice-Chairperson
  - 5.2.3 Chairperson and Vice-Chairperson of Committees.
- 5.3 The responsibilities of the Chairperson of the Board are to:
  - 5.3.1 ensure the efficient conduct of the Board's business and of the Association's general meetings;
  - 5.3.2 ensure that all Board Members are given the opportunity to express their views before any important decision is taken;
  - 5.3.3 establish a constructive working relationship with, and provide support for, the Managing Director;
  - 5.3.4 ensure that the Board delegates sufficient authority to its Committees, the Chairperson, the Managing Director and others to enable the business of the Association to be carried on effectively between meetings of the Board; and also to ensure that the Board monitors the use of these delegated powers;
  - 5.3.5 ensure that the Board receives professional advice when it is needed;
  - 5.3.6 ensure that the Association complies with the recommendations of the Code of Governance which are appropriate to the circumstances;
  - 5.3.7 represent the Association on occasion;
  - 5.3.8 take decisions delegated to the Chairperson with the advice of the Managing Director;
  - 5.3.9 ensure that the Board, at least annually, reviews the skills of its individual Members and that action is taken to remedy any deficiencies;
  - 5.3.10 ensure, when necessary, that the Managing Director is replaced in a timely and orderly fashion.

- 5.4 The responsibilities of the Chairpersons of Committees are in the context of their own Committees similar to those of the Chairperson of the Board. In addition however they have the responsibility for ensuring that the work of their Committees is properly and fully drawn to the attention of the Board as a whole.

In the case of dispute, the Board's decisions must override those of any Committee. However the Chairperson of the Group Audit Committee has the right to report any such action to the external auditors (and where necessary to external regulatory bodies), after discussion at the Board about this proposed course of action.

## **6 CONDUCT OF MEETINGS**

### **General Meetings**

- 6.1 The Annual General Meeting of the Association is to be held between the dates 1st April and 30th September at a time and day determined by the Association, through its Board.
- 6.2 The Order of Business at the Annual General Meeting is:
- 6.2.1 to elect a Chairperson of the meeting, if the Chairperson and Vice-Chairperson are not present;
- 6.2.2 to approve the Minutes of the last Annual General Meeting and any Special General Meeting not previously approved;
- 6.2.3 to receive the Annual Report which shall contain:
- the revenue accounts and balance sheets for the last accounting period;
  - the auditor's report on those accounts and balance sheets;
  - the Board's report on the affairs of the Association;
  - the Board's statement of the values and objectives of the Association;
  - a statement of the current obligations of Board Members to the Board and the Association;
  - a statement of the skills, qualities and experience required by the Board amongst its Members;
  - the policy for admitting new shareholders;
  - the procedure for electing tenant Board Members.
- 6.2.4 to elect Board Members;
- 6.2.5 to transact any other business of the Association included in the notice of the meeting.
- 6.3 A Special General Meeting of the Association can be called by the Board or following a written requisition to the Secretary signed by one-tenth of the shareholders (to a maximum of twenty five but not less than three) setting out the purpose for which the meeting is required.
- 6.4 The Secretary is to issue written notices convening the meeting within 14 days of receipt of the requisition. Any such notices are to be delivered to Members 14 clear days before the meeting.

- 6.5 If within 28 days after delivery of a requisition to the Secretary a meeting is not convened, the Members who have signed the requisition may convene a meeting.
- 6.6 The order of business at a Special General Meeting is:
- 6.6.1 to elect a Chairperson of the meeting, if the Chairperson or Vice-Chairperson are not present;
  - 6.6.2 to approve the Minutes of any Special General Meeting held since the last Annual General Meeting;
  - 6.6.3 to deal with the business indicated in the notice which called the Special General Meeting.

### **Board and Committee Meetings**

- 6.7 The Board is to meet at least three times in each calendar year at times and places fixed by the Board. Seven clear days notice of each meeting must be given to every Member of the Board by the Secretary.
- 6.8 Special meetings of the Board can be called by the Secretary, the Parent or by notice given to him/her by the Chairperson of the Board or by two Board Members.
- 6.9 The Group Chief Executive and/or his/her nominee shall be entitled to attend all Board and Committee meetings.

### **Chairperson**

- 6.10 The Chairperson and Vice-Chairperson of the Board shall serve in that capacity for the Association.
- 6.11 Where, owing to resignation, dismissal or failure to be reappointed to the Board, there is no Chairperson or Vice-Chairperson, a General Meeting may appoint a Board Member to serve as Chairperson until the next Board meeting. On this next occasion, a Chairperson is to be appointed to serve until the next Annual General Meeting.

### **Quorum**

- 6.12 For as long as the subscribing shareholders are the only Board Members, the quorum for Board meetings shall be five, of which at least a third (ie 2) must be independent members. The quorum for Customer Committee is six members.
- 6.13 The quorum for General Meetings is one tenth of all shareholders with a minimum of six and a maximum of twenty five. As part of the quorum at least one third of the quorum must be independent shareholders and two shareholders must be present in person plus a representative of the Parent.

- 6.14 There will be no business transacted at any Meeting of the Association, of the Board or any Standing Committee, unless there is a quorum of Members at the commencement of discussion of the business on the agenda.
- 6.15 The Chairperson will formally open the meeting at the time specified on the agenda.
- 6.16 Where there is no quorum within thirty minutes of the commencement time of a General Meeting, Board or Standing Committee Meeting, then that Meeting will stand adjourned. Consideration of the business not transacted is to be undertaken at a time fixed by the Chairperson or to the next ordinary Meeting of the Board or Standing Committee. In the case of a General Meeting it will be adjourned to the same day, at the same time and place in the following week.
- 6.17 The meeting will be conducted in accordance with the agenda. The Chairperson will ensure that the meeting considers the decisions required under each item of business at the end of each agenda item.
- 6.18 Where a decision is required, a show of hands will be requested by the Chairperson. A recorded vote will be taken if requested by any member.
- 6.19 In the case of an equality of votes (and only in such case) the Chairperson of the meeting has a second or casting vote, whether or not the Chairperson has already voted.
- 6.20 The Chairperson will formally close the meeting when the business on the agenda has been transacted, or earlier if agreed by a majority. The time that the meeting closes will be noted in the Minutes. No business purported to be transacted after that time will be valid and will not form part of the formal record of the meeting.

#### **Admission of the Public**

- 6.21 The public may be present at General Meetings, subject to them being excluded if the Meeting votes that this is appropriate.
- 6.22 Any item for discussion relating to the appointment, promotion, dismissal, salary, emoluments, conditions of service or conduct of any employee of the Association must be undertaken in private.
- 6.23 Any reports to Meetings which concern matters which are not deemed private or confidential, are to be made available for public inspection.

## **7 THE BOARD'S RESPONSIBILITIES**

### **Terms of Reference**

- 7.1 The functions of the Board can be summarised as:
- 7.1.1 define and ensure compliance with the values and objectives of the Association and its Parent and ensure these are set out in each annual report;
  - 7.1.2 establish policies and plans to achieve these objectives;
  - 7.1.3 approve each year's budget and accounts prior to publication;
  - 7.1.4 establish and oversee a framework of delegation and systems of control, including Committee Terms of Reference;
  - 7.1.5 in conjunction with the Parent agree policies and make decisions on all matters that might create significant financial or other risk to the Association, or which raise material issues of principle;
  - 7.1.6 monitor the Association's performance in relation to the approved plans, budgets, controls and decisions;
  - 7.1.7 appoint and if necessary dismiss the Managing Director and be represented in the appointment of other Directors;
  - 7.1.8 satisfy itself that the Association's affairs are conducted lawfully and in accordance with generally accepted standards of performance and propriety;
  - 7.1.9 to periodically review the membership of the Board and its Committees, including strengths and weaknesses and effectiveness;
  - 7.1.10 in conjunction with the Parent approve any extension or restriction in the scope of the Association's activities or functions;
  - 7.1.11 major matters with regard to relationships to central government, the Housing Corporation, local authorities, other statutory bodies and other Housing Associations;
  - 7.1.12 any item which is referred to it by a General Meeting;
  - 7.1.13 any item which is referred to it by the Parent;
  - 7.1.14 any matter reserved to it by the Financial Regulations;
  - 7.1.15 receive reports from the Housing Corporation in respect of any performance audit;
  - 7.1.16 take appropriate advice;

- 7.1.17 ensure that the principles of the Association's approved Equality and Diversity Policy and Action Plan currently in force are fully implemented by all members and to take action against any member who is in breach of the Policy, including expulsion if appropriate.
- 7.2 The Board shall nominate two representatives to the Parent Board.
- 7.3 The Board may create Standing and other Committees or Working Groups to which it may delegate or refer business for detailed consideration.
- 7.4 Any matter may be referred by the Board to a General Meeting of the Association.
- 7.5 Although the specific responsibilities are defined in these Standing Orders, the supreme governing body of the Association is the General Meeting and it may make decisions or direct the Board on any matter relating to the business of the Association.

#### **Delegation to Standing Committees**

- 7.6 Committees may be set up by the Board to oversee the activities of the Association. The arrangements in the succeeding paragraphs indicate the extent of delegation and responsibilities which will be provided to each Committee.
- 7.7 Once the Board has made its decisions on overall policy, the monitoring of these functions may be delegated to Committees, Board working groups or the Managing Director. The Board's role thereafter will be to receive periodic reports (as it decides) on the operation of the policy. Regular monitoring will be carried out by the relevant Committee.
- 7.8 A copy of all Committee and working group papers and minutes will be circulated to all Members. Minutes of Committee meetings will be submitted as a true record to the next meeting of the Board. At each Board meeting, the Chairperson of the relevant Committee will present the minutes highlighting the major areas of consideration of the Board and identifying any matters requiring the specific approval of the Board.
- 7.9 The order of business at ordinary Board meetings is:-
  - 7.9.1 apologies for absence;
  - 7.9.2 on the occasion of the first meeting after the Annual General Meeting, to elect a Chairperson and Vice-Chairperson;
  - 7.9.3 in the absence of the Chairperson and Vice-Chairperson, to select one of their number to act as Chairperson of the meeting;
  - 7.9.4 minutes of the last meeting and any previous meeting without approved minutes (for accuracy);

- 7.9.5 to consider matters arising from those Minutes which are not on the Agenda for the meeting;
- 7.9.6 to receive and examine Minutes and recommendations of the Committees and reports by the Chairperson of Committees;
- 7.9.7 to consider reports from officers either for decision or information;
- 7.9.8 use of the official seal;
- 7.9.9 report of any urgent business transacted under 3.4 above and any urgent business which the Chairperson agrees shall be transacted at the meeting;
- 7.9.10 any other business.

## **8 CUSTOMER COMMITTEE**

8.1 The purpose of the Customer Committee is as follows:

- 8.1.1 to ensure that high quality services are provided to tenants and property is maintained to a high standard within Policy and Financial constraints;
- 8.1.2 to monitor the progress and project management for major repairs and improvements and to ensure that the highest standards of specification and project management are achieved;
- 8.1.3 to monitor the progress and project management of the capital programme for development and acquisition initiatives;
- 8.1.4 to provide an independent, accountable and transparent representative forum for Aragon Housing Association customers and to be accessible to and inclusive of all tenants, leaseholders, customers and potential customers of the Association;
- 8.1.5 to nominate members of the Committee to the South Northants Homes Board.

8.2 The functions of the Committee are:

- 8.2.1 to monitor the key performance indicators of housing management and maintenance including voids and maintenance response times;
- 8.2.2 to receive reports on evictions and Court action;
- 8.2.3 to be the main consultation forum for the discussion of new ideas which impact on services to tenants;
- 8.2.4 to oversee and keep under review information sent to tenants and mechanisms for consultation and involvement;
- 8.2.5 to monitor the Association's major works programme, in particular its performance against agreed targets, ensuring that any necessary corrective action is being taken;
- 8.2.6 to monitor the Association's equality and diversity procedures relating to customer service;
- 8.2.7 to monitor the management of the cyclical and responsive repairs programmes;
- 8.2.8 to oversee, prioritise and allocate the use of funds for environmental improvements;

- 8.2.9 to ensure that the principles of the Association's approved Equality and Diversity Policy and Action Plan currently in force are fully implemented by all members and to take action against any member who is in breach of the Policy, including expulsion if appropriate.
- 8.3 The Committee will receive the following standard performance indicators with associated commentary on key issues:
- 8.3.1 a statistical analysis of arrears and void levels;
  - 8.3.2 details of possession orders and evictions;
  - 8.3.3 summary and analysis of the waiting list;
  - 8.3.4 summary of numbers of lettings by type and source;
  - 8.3.5 performance against the cyclical, major repair and improvement programme targets.
  - 8.3.6 summary of major repairs and modernisation projects on site, giving:
    - (i) name of scheme
    - (ii) contract sum
    - (iii) forecast contract sum
    - (iv) contract period
    - (v) forecast contract period.
  - 8.3.7 details of responsive repairs performance against targets;
  - 8.3.8 details of tenant satisfaction levels, including ethnicity breakdown.
- 8.4 The Committee shall include:
- 11 tenants
  - 1 leaseholder
  - 1 South Northamptonshire Council nominee
  - 1 South Northants Homes Independent Board member
- 8.5 The tenant and leasehold members shall be elected by tenants and leaseholders respectively. The SNC nominee and independent Board Member shall be nominated by the Board.
- Committee members shall serve for a maximum of three years and then stand down. Members may stand for re-election in accordance with the procedures.
- 8.6 The Customer Committee will meet at least four times per year as an ordinary meeting. Special meetings may be called as required.

## **9 DELEGATION TO THE MANAGING DIRECTOR**

- 9.1 Whilst the Group Parent is responsible for setting Group strategies and minimum standards the Managing Director is responsible for the operational management of the Association's affairs. He or she must assist the Board, in conjunction with the Group Chief Executive, to determine its strategic objectives and ensure this achievement through effective deployment of the Association's resources and productive relationships with external agencies.
- 9.2 Subject to these Standing Orders and the Financial Regulations, the Managing Director may, without further reference to the Board or any Committee, take the action he or she considers necessary to ensure the efficient and effective management and routine administration of the Association's activities. In consultation with the Group Chief Executive and appropriate Group Directors, the following activities are delegated to the Managing Director.

### **Personnel Matters**

- 9.3 Within approved policies, settle Terms and Conditions of Service, salaries, leased cars and other emoluments.
- 9.4 Decide the following matters:-
- 9.4.1 staff recruitment and selection and the authorisation of candidates' expenses and appointees' relocation expenses, accommodation and travelling expenses;
  - 9.4.2 extension of sick pay entitlements;
  - 9.4.3 all staff welfare matters;
  - 9.4.4 operation of a performance appraisal scheme;
  - 9.4.5 authorisation of casual and temporary appointments and the determination of their rates of pay and allowances;
  - 9.4.6 informal and formal communications, consultations and negotiations with employee representatives;
  - 9.4.7 leave of absence in excess of normal entitlement;
  - 9.4.8 staff training arrangements and attendance at staff courses;
  - 9.4.9 extensions of service;
  - 9.4.10 determining ex-gratia payments to employees in cases of loss or damage to possessions in connection with the work of the Association;
  - 9.4.11 conducting disciplinary hearings.

## **Finance**

- 9.5 As determined under Financial Regulations.

## **Maintenance and Improvements**

- 9.6 Improvement and repair schemes subject to the provision of Financial Regulations and within approved budgets.
- 9.7 Negotiating the disposal of property and other assets with a value of up to £25,000 and the authorisation of payments in connection with this activity, acknowledging the requirements of any legislation and Housing Corporation consents that may be in place.
- 9.8 Approval of terms for licences, wayleaves and easements.
- 9.9 In consultation with the Group Development Director and Group Finance Director instigating legal and other appropriate action in connection with the Association's property, land holdings and finances.

## **Housing Management**

- 9.10 Selection of tenants, letting of dwellings, garages and other buildings, etc., in accordance with the Association approved policies.
- 9.11 The termination of tenancies, including the issue of appropriate legal required notices, in respect of all dwellings, garages or other accommodation and land and the re-possession of properties for breach of tenancy conditions.
- 9.12 Subject to the Tenancy Agreement, approval of tenants' requests in respect of sub-tenants, changes of use, alterations and extensions and erection of other structures.
- 9.13 Assessment of rents in accordance with approved policies and schemes and appropriate notification to tenants.
- 9.14 Determination of applications for minor alterations to boundaries.
- 9.15 Administration of the Right to Buy and Right to Acquire and Homebuy Schemes.
- 9.16 Legal action on the enforcement of covenants relating to all properties of the Association.
- 9.17 Instituting appropriate action to enforce conditions of sale.

## **10 CODE OF CONDUCT**

10.1 The highest standards of conduct are expected from Board Members. Maintaining confidence in the integrity of the Association is a fundamental requirement and all Board Members are required to uphold the principles and guidance set out in this Code. The Code of Conduct cannot be amended without the written consent of the Parent.

### **Conflicts and Disclosures of Interest**

- 10.2 Members must ensure that private or personal interests, financial or otherwise, do not influence decisions and his/her position is not used to obtain personal gain of any sort.
- 10.3 Members must be meticulous about declaring conflicts of interest. Declarations of interest will be recorded in a register and be available for public inspection.
- 10.4 When the Board or Committees discuss an item which presents a Member with a conflict of interest, that interest must be declared.
- 10.5 If the conflict is clear and substantial Members should offer to withdraw from the meeting and if invited to remain refrain from voting on the matter. Where such a conflict is likely to re-occur on a frequent basis members should offer to resign.
- 10.6 Tenant Board Members should regard matters specifically concerning their individual circumstances as a clear and substantial conflict; matters affecting residents more generally should be declared in the normal way.
- 10.7 If a Member has any connection with other housing associations (e.g. as a Board member, employee, provider of goods and services) this should be declared.

### **Schedule 1 of the Housing Act 1996**

10.8 This Schedule, details of which are set out in Appendix 1, imposes certain restrictions on the payments and benefits which can be made to Board Members and staff or to their close relatives. It is essential therefore that Members are meticulous at all times about identifying and declaring situations involving close relatives which may involve a breach in Schedule 1.

### **Hospitality and Gifts**

- 10.9 Members must not place themselves under an obligation that might influence, or be perceived to influence their conduct. They must not therefore, in any circumstances, accept cash or personal gifts with a significant monetary value. Nor should they solicit gifts under any circumstances.
- 10.10 Members should never accept lavish hospitality and any hospitality accepted, with the exception of modest working meals or refreshments, must be declared to the Managing Director and recorded in the Association's hospitality register.

10.11 More comprehensive guidance on hospitality and gifts is set out in full in Appendix 2.

### **Use of the Association's Contractors and Agents**

10.12 If Board Members wish to use any of the Association's contractors, consultants, agents etc., for private purposes they must formally notify the Managing Director of their intention to do so. In doing so, they must provide details of the work they are having done, the cost and the name of the contractor. Members must be scrupulous about ensuring the transaction is properly documented and that they do not receive any preferential treatment as a result of being a Board Member of the Association.

10.13 The information provided will be retained on file for inspection.

### **Reimbursement of Expenses**

10.14 The Association is able to reimburse costs reasonably and necessarily incurred by Board Members in carrying out their duties. Procedural guidance on the authorisation and payment of expenses is set out in Appendix 3.

## **11 CONFIDENTIAL REPORTING**

11.1 If Board Members have serious concerns about any aspect of the Association's work, they are encouraged to raise those concerns with the Managing Director or the Group Chief Executive. For example, if a Member becomes aware of:-

- claims of fraud, corruption or malpractice;
- abuse or neglect of vulnerable people;
- failure to deliver proper standards of service;
- damaging personal conflicts;
- bullying, discrimination, harassment or victimisation.

he/she should raise the matter as soon as possible. In some cases, a Member may prefer to raise their concern on a confidential basis and as far as possible the request for confidentiality will be respected.

11.2 In exceptional circumstances a Member may feel it appropriate to raise their concerns at Board level in which case the matter should be referred to the Chairman of the Association or the Chairman of the Group Audit Committee.

## **12 AMENDMENT, REVOCATION AND REVIEW OF STANDING ORDERS**

- 12.1 The Board may alter, rescind or add to any part or element of these Standing Orders by a simple majority vote of those present. The Managing Director is to consider, periodically, the need for amendments to Standing Orders and report on this matter to the Board. A full review of this document shall be undertaken by the Board at least every three years.
- 12.2 A copy of these Standing Orders and the Financial Regulations is to be available to Members of the Association and the Parent.

## **13 INTERPRETATION**

- 13.1 Interpretation of terms in these Standing Orders shall be as provided in Rule G15.
- 13.2 Where there are references in the Standing Orders to the male gender, they are to apply equally to the female gender.
- 13.3 In the event of any doubt as to the meaning on application of the Standing Orders, the matter shall, in the first instance, be referred to the Chairperson of the Board for a decision, who shall report his decision to the next Board meeting. In the event that a decision is not urgent, the matter will be resolved by the Board.

## APPENDIX 1

### SCHEDULE 1 OF THE HOUSING ACT 1996

Schedule 1 provides that the Association shall not make a payment or grant a benefit to:-

- (a) a Board Member or employee of the Association;
- (b) a person who at any time within the previous 12 months has been a person within paragraph (a);
- (c) a close relative of a person within (a) or (b); or
- (d) a business trading for profit of which a person within paragraphs (a), (b) or (c) is a principal proprietor or in the management of which such a person is directly concerned.

The following relevant items are permitted:-

- (a) payments made or benefits granted to a Board Member or employee of the Association under his contract of employment;
- (b) the payment of remuneration or expenses to a Board Member who does not have a contract of employment with the Association;
- (c) where a tenancy has been granted to, or to a close relative of, a person who later becomes a Board Member or employee, the grant to that tenant of a new tenancy, whether of the same or another house;
- (d) payments made or benefits granted in accordance with any determination made by the Corporation.

A close relative will normally include a person's spouse, parent, grandparent, child, grandchild (including illegitimate children and grandchildren), brother, sister, uncle and aunt. Technically, the term "relative" does not include any relationship that is not by blood or marriage, however close. Where such close relationships exist, however, RSLs are strongly advised to act as though Schedule 1 did in fact apply.

The Housing Corporation has authorised a number of exemptions which would allow payments or benefits to be granted to close relatives but these must be specifically approved by the Board or a delegated sub-committee of Members in each case.

In view of the serious implications which could flow from a breach of Schedule 1, it is extremely important that Board Members are alert at all times to situations which could give rise to a breach. Any Board Member who becomes aware of a situation which could, or has given, rise to a breach should immediately report the matter to the Managing Director who will determine the appropriate course of action. Any exemptions which are authorised will be recorded in the publicly available record maintained for that purpose. In order to help identify situation which could give rise to a breach, the Association has in place a range of declaration forms which seek information from the person completing the form about close relationships.

**HOSPITALITY AND GIFTS**

Board Members should not place themselves under an obligation that might influence or be perceived to influence the conduct of their duties in favour of the donor. In order therefore to protect the Association and Board Members against claims of being influenced by improper motives, the following guidance and procedures must be followed:-

- (a) Never accept a monetary gift, or personal gift with a significant monetary value, under any circumstances. Modest items such as free promotional pens, calendars and similar items may be accepted.
- (b) Never accept lavish hospitality.
- (c) Never solicit a gift or hospitality under any circumstances.
- (d) All hospitality received, with the exception of modest working meals and light refreshments, must be recorded in the Association's hospitality register which is retained in the Managing Director's Department.
- (e) Gifts from residents may only be accepted if it is a collective gift or an individual gift which is modest and reported to the Managing Director and recorded in the register referred to in (d) above.
- (f) The test of reasonableness must be considered at all times. If there is any doubt about the appropriateness of accepting an offer of hospitality or gift, or the donor is applying unreasonable pressure to accept an offer, the matter should be raised as follows:-

- Members - with the Chairperson or Chairperson of the Group Audit Committee
- Chairperson - with the Chairperson of Grand Union Housing Group or Chairperson of the Group Audit Committee

**REIMBURSEMENT OF EXPENSES**

Board Members may claim for the reimbursement of reasonable expenses actually incurred in connection with their duties whilst on Association business.

Typically, expenses which may be incurred and for which reimbursement can be claimed, will include: bus, train and taxi fares, telephone calls and postage, and the cost of eating out when away from home on Association business. The cost of child minding services will also be met by the Association.

Where a Board Member uses his or her own vehicle, a mileage allowance will be paid. Board Members are expected to use the cheapest form of travel available eg second class fare on trains for longer journeys.

All expenses should be claimed on the form provided for the purpose. Claims should be submitted at least every three months and whenever possible expenses incurred should be supported by receipts. All claims will be authorised for payment by the Managing Director and sums paid will be allocated to a separate financial code.

In cases of dispute, the matter shall be referred to the Chairperson whose decision will be final.