

## TERMS OF REFERENCE FOR THE BOARD

### 1.0 PURPOSE

- 1.1 The Board is collectively responsible for ensuring the success of the Queens Cross Housing Association and its compliance with all legal and regulatory obligations. It has responsibility for setting the Association's overall values and objectives, ensuring that high standards of integrity and probity are maintained and for management oversight of the group as a whole and its constituent parts.
- 1.2 In practice this means that the Board will set policy and strategy and will monitor the performance of the group in achieving strategic, operational and financial objectives. As part of this, the Board will set parameters for, review and approve the business plans of the Factoring Board, ensuring that they are consistent with and supportive of the Association's overarching plan. In undertaking its role, the Board will seek to avoid replicating or repeating the work of the Factoring Board or any other Committees.
- 1.3 It is the Board's responsibility to ensure that The Association remains financially viable, that a balanced and comprehensive assessment of the financial position and associated risk is presented to the board on a regular basis and that a sound system of internal control is maintained.
- 1.4 The Group Board works closely with the Factoring Board and other committees to ensure that responsibilities across the Association are met. It aims to ensure that, in so far as is practical, the Factoring Board and other committees have responsibility over the running of their businesses and day to day operations. However, this is constrained by legal and regulatory requirements and there will always be key tasks that must be reserved for the Board and may not be delegated. This is in order that it can properly exercise its control responsibilities and realise the benefits of the Association.
- 1.5 Matters reserved for the Board and matters that are delegated to others are due to be reviewed and will be set out in a separate schedule to be attached as an Appendix of these Regulations.
- 1.6 In addition to ensuring that the Board performs its key roles effectively, all Board members hold the responsibility of company Directors and have a fiduciary responsibility to the Association. The Regulator also expects the Board to ensure that the Association's interests are protected.
- 1.7 Therefore, in conducting its business, Board Members must at all times concern themselves with two principal questions:
- i) Whether the Association and the Factoring Board and other committees are keeping within its objectives and powers;
  - ii) Whether its actions are financially responsible

## **2.0 Role and Duties of the Board**

### **2.1 Governance**

- i. To approve and review the group's corporate governance arrangements and documentation and approve changes to ensure they are fit for purpose.
- ii. To establish a framework of delegation to committees and staff.
- iii. As required, to create standing or other committees or working groups to which business may be delegated or referred for detailed consideration.
- iv. To approve the appointment (and if necessary removal) of Board and Committee Members after consideration where appropriate of any recommendations received from a sub-committee of the Board established to recruit Board members.
- v. To approve the appointment (and if necessary removal) of Board representative on Subsidiary Boards, Local Neighbourhood Committees and other organisations where Queens Cross has an interest for example Workspace and Joint Venture Companies
- vi. To review Board performance, individual Board Member performance and arrangements for succession planning.
- vii. To review the minutes of Subsidiary Board meetings, Committee Meeting and meetings of the Local Neighbourhood Committees.
- viii. To consider any matter referred to it by a General Meeting.
- x. To establish a framework for internal control and risk management across the organisation.
- xiii. To appoint, and, if required, remove the Group Chief Executive and approve the remuneration and any contractual changes for this post.
- xiv. To input into the appointment of and, if required, the removal of Directors and other members of the Senior Management Team as judged appropriate.
- xv. To approve the appointment of the group's principal professional advisers.
- xvi. To appoint and if necessary remove the Group Secretary.
- xvii. To approve and if necessary remove the group's auditors.
- xviii. To account for its activities to shareholders at an AGM to be called each year and to call general meetings as necessary in accordance with its rules.
- xix. To approve this schedule of matters reserved for Group Board decision.

### **2.2 Statutory Duties**

- i. To approve the group's annual report and accounts prior to publication.
- ii. To approve an appropriate statement for inclusion in the annual report/annual accounts on the effectiveness of the group's systems for risk management and internal control.
- iii. To approve Queens Cross's regulatory returns prior to submission.
- iv. To ensure that the group's affairs are conducted lawfully and in accordance with generally accepted standards of performance and propriety.
- v. To ensure that the group's legal and regulatory obligations are met as landlord, employer and steward of public or other funds.

## 2.3 **Strategy and business planning**

- i. To determine the Queens Cross's values, vision, long term strategic direction and objectives.
- ii. To approve the business plan including long term financial projections and any material changes to it.
- iii. To give final approval to subsidiary business plans and any material changes to them as recommended by subsidiary boards.
- iv. To approve the Queens Cross's business development strategy and parameters within which development activities can be pursued
- v. To approve an organisational approach to strategic performance management and reporting.
- vi. To approve changes to the Queens Cross's corporate structure including the setting up or winding up of subsidiaries, the entry of new group members and changes to the top level management structure.
- vii. To approve material expansion of the business into new activities or geographic areas.
- viii. To approve any decision to cease to operate all or a material part of the organisations business.
- ix. To approve material partnerships or alliances in pursuit of strategic objectives.

## 2.4 **Group Policies**

- i. To approve and periodically review the group's key policy frameworks and strategies.

## 2.5 **Operational**

- i. To approve the annual operating and capital expenditure budgets and any material changes to them.
- ii. To approve any significant changes in accounting policies or practices.
- iii. To monitor and review performance in relation to achieving approved plans and budgets and implementing Board decisions and satisfy itself that financial and other management information is accurate.
- iv. To receive reports on and review the effectiveness of Queens Cross internal control and risk management processes and satisfy itself that systems in place are robust and defensible.
- v. To make decisions on all matters that might create significant financial or other risk to the organisation or which raise material issues of principle.
- vi. To approve material development projects and new business opportunities outside of agreed plans.
- vii. To ensure that performance against subsidiary plans is monitored effectively by their own boards and that the Group Board is advised of and consulted on any material failures that may impact on the group's performance or reputation.
- viii. To review on a periodic basis the effectiveness of QC services to subsidiaries and consider any areas in which improved value for money and / or quality of service could be obtained.

- ix. To approve the prosecution, defence or settlement of litigation material to the interests of Queens Cross.
- x. To ensure that Queens Cross maintains effective relationships with central government, local authorities, regulatory bodies, other statutory bodies and partner organisations.
- xi. To receive and consider any reports received from regulators.
- xii. To conduct appeals in accordance with the organisations customer complaints procedure or establish a panel of members to do so.
- xiii. Final responsibility for any decision to instruct Sheriff Officers to evict any tenant.
- xiv. To conduct appeals in accordance with the group's employee disciplinary and grievance policy and procedures.

### **3.0 Composition of the Board**

#### **3.1 Number and appointment of Board Members**

Until the end of the 2011 Annual General Meeting the Association shall have a Board which shall have a minimum of 7 and a maximum (excluding co-optees) of 13 persons of whom up to nine Board Members shall be General Board Members; and up to four Board Members shall be Independent Board Members.

From the end of the 2011 annual general meeting the Association shall have a Board which shall have a minimum of 7 and a maximum (excluding co-optees) of 12 persons of whom up to eight Board Members shall be General and up to four Independent Members.

Acting within its rules the Board can co-opt to the Board anyone the Board consider is suitable to become a Board Member. Board Members co-opted in this way must not make up more than one-third of the total number of the Board or sub-committee members at any one time

The Board will elect the following:

- Chair
- Secretary
- Any other Office Bearers considered necessary.
- Chair and membership of the Audit Committee
- Chair and membership of the Factoring Committee

The Board will appoint the following:

- From April 2011, 2 members to each of the Neighbourhood Committees.
- Up to 4 representatives to the Workspace Board.
- Members of the Garscube Community Foundation.
- Working Groups as agreed/ required.
- Any appointments to external bodies

## **4.0 Conduct of Board Meetings**

### **4.1 General**

The Association shall hold an Annual General Meeting within 6 calendar months after the close of each of its financial years. The functions of the Annual General Meeting are set out in the Rules, as is the procedure for calling Special General Meetings.

The Board must meet at least 6 times per year at a place and time to be agreed by the Board. The dates for these and indications of key business to be dealt with at particular meetings will be agreed in advance at the first meeting of the year.

The Chair, in consultation with the Chief Executive and such other Board Members as the Chair considers to be appropriate may also summon other meetings as is considered necessary to deal with time critical matters. Any urgent matters requiring decisions between meetings will be dealt with via the urgency procedure as set out in Section 9 of these regulations.

The quorum for meetings will be four Board Members not including co optees as set out in the rules (Rules 42.3 and 48) .

The Association has an approved Code of Conduct for Board and Committee members and no member may take office until they have agreed to and signed the Code of Conduct and all members are expected to adhere to the standards set out in this code.