



**THE
STANDING ORDERS
OF
THE PICKERING AND FERENS HOMES**

Revised

12 January 2015

**THE STANDING ORDERS OF THE PICKERING AND FERENS HOMES
(THE ASSOCIATION)**

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- A Governance and Remuneration Committee**
- B Audit and Risk Committee**
- C Development and New Business Committee**
- D Resident Committee**

SECTION 1

Introduction

- 1.1** In July 2010 the Board of Trustees (the Board) formally adopted the National Housing Federation Code of Governance, “Excellence in Governance” (the Code).
- 1.2** In accordance with the Code the foundation of good governance is a balanced, diverse and effective Board which leads and controls the organisation and complies with all legal requirements. The Board ensures the Association upholds the following nine principles:
- a) Ethics – that it operates in accordance with high ethical standards, explicit values and with the Code.
 - b) Accountability – that there is proper accountability to and involvement of all the Association’s stakeholders – and primarily its residents.
 - c) Customer first – that the needs of existing and potential residents and other service users, are placed at the heart of business decisions and strategy.
 - d) Openness – that there is a spirit of openness within the Association making full disclosure of governance matters and other information.
 - e) Diversity and inclusion – that there is fairness and equality of opportunity and recognition of diversity in all aspects of the structure of the Association.
 - f) Review and renewal – that there are formal and open processes for the periodic review of the Board’s own performance and to ensure its renewal on an ongoing basis.
 - g) Clarity – that there is clarity of roles and responsibilities between the Association’s Trustees, paid staff and stakeholders.
 - h) Control – that there are effective systems for internal delegation, audit, risk management and control. The Board should receive adequate and timely reports and advice to inform its’ decisions. The Board should have an effective relationship with its internal auditors, external auditors and regulators.
 - i) Structure –that there are effective staffing and committee structures to support the work of the Board.
- 1.3** By adopting the code, the Association has adopted legal instruments, financial regulations, standing orders and other governance frameworks which support and enable the implementation of the Code. These Standing Orders are based on the Code. The Standing Orders together with the Charity Commission Scheme and Manual of Governance are the main governance documents of the Association.

- 1.4** In adopting the Code, the Association will provide an annual statement of compliance and make a measured statement about any area where the Association does not comply with the standards in the Code.

SECTION 2

Details contained within the Standing Orders

2. A Purpose and context

The purpose of these Standing Orders is to set out in detail, the role, responsibilities, powers and activities of the Board.

The Standing Orders should be read in conjunction with the Association's Charity Commission Scheme and the Manual of Governance. Where there is a difference or conflict between the documents, the Charity Commission Scheme, as the senior document, takes precedence.

These documents together with the Association's Financial Regulations, Policies and Procedures and Codes of Conduct form the control framework within which the Association operates.

2. A.1 Variation and revocation of Standing Orders

These Standing Orders may only be amended or revoked by resolution of the Board following an appropriate report to the Board from the Chief Executive.

2. A.2 Suspension of Standing Orders

The Board may suspend these Standing Orders with regard to any business at a meeting where suspension is moved. A motion to suspend Standing Orders shall not be moved without due notice to the Board unless there shall be present at the meeting at least three quarters of the Trustees.

2. B Framework for delegated authorities

2. B.1 Background

The Board has overall responsibility for every aspect of the affairs and business of the Association. In practice the Board fulfils responsibilities by delegating certain powers or activities to Committees of the Board and the Chief Executive of the Association.

2. B.2 Committees

The Committees to which such delegations are made are:

- a) Governance and Remuneration Committee
- b) Audit and Risk Committee
- c) Development and New Business Committee
- d) Residents' Committee

2. B.3 Terms of reference

These terms of reference set out the role, responsibilities and powers to carry out operational activity and decision making by Committees and the Chief Executive.

2. B.4 Review

Every year the Board will review all Terms of Reference, including Committee structures, delegated responsibilities, independence and reporting arrangements.

2. C Membership of the Board and Committees

2. C.1 Composition of the Board and its Committees

The Board should comprise up to 12 Trustees. No Trustee may serve on more than two Committees. Trustees are expected to attend a minimum of 75% of all meetings of the Board and of the Committees on which they serve.

2. C.2 Appointment and removal of Trustees

Appointment to and removal of Trustees, will be in accordance with the Association's Charity Commission Scheme.

2. C.3 Trustee tenure and competence

Trustees shall be appointed for a term of three years and may serve for a maximum of nine. Continuous or intermittent membership of the Board will not exceed nine years in total.

The Association subscribes to the principle of Board renewal and succession planning. Consequently, Trustees will be subject to satisfactory annual appraisal, skills audit and an effectiveness review.

2. C.4 Board diversity

The Association subscribes to the principle that Board membership should be diverse in order to reflect its responsibility to stakeholders, including tenants, local authorities, local residents and others interested in furthering social housing objectives locally. The Board will endeavour to ensure that it collectively possesses the experience, skills and qualities to comply with this principle.

2. C.5 Recruitment of Trustees

Co-opted Trustees will be recruited through an open process, including advertising in appropriate media. Applicants will submit an application.

New Trustees will be recruited with the relevant experience and skills required.

Selection interviews will be conducted by a panel of three Trustees comprising:

- a) One co-opted Trustee
- b) One Kingston upon Hull City Council nominated Trustee
- c) One Resident Trustee

This panel will recommend to the Board regarding the appointment of new Trustees. Appointments of Trustees will be in accordance with the provisions of the Charity Commission Scheme.

2. C.6 Board review and appraisal

The Board will carry out regular reviews of the adequacy and performance of the Board and its Committees, both individually and collectively, to ensure efficient and effective governance. This review will be undertaken at least once each year.

2. C.7 Concerns raised

If a Trustee has any concerns about the way the Association operates, he/she should raise these at a meeting of the Board.

When a Trustee resigns, the reasons for the resignation should be ascertained.

2. D Key Office Holders

2. D.1 Secretary to the Board

The Board will appoint a Secretary to the Board who will service the Board and its Committees and be responsible for the administration of the Association's legal, constitutional and compliance matters. The Chief Executive of the Charity will act as Secretary to the Board.

2. D.2 Chair of the Board

2. D.2.1 General:

The Board shall elect one of its members as Chair of the Board at the AGM.

The Board Chair may Chair one other Board Committee. The Chair will not Chair the Audit and Risk Committee, or the Governance and Remuneration Committee.

The Chair may be removed by resolution of the Board.

2. D.2.2 Term of office and reappointment:

The Chair will hold office from the date of appointment until the conclusion of the next annual general meeting of the Association.

The Chair will be elected at each annual general meeting.

The retiring Chair may be re-elected but an individual Trustee may not serve as Chair for a period exceeding four years in aggregate.

2. E Conduct of Board business

2. E.1 Relevant documentation for meetings

2. E.1.1 Circulation of documents:

Board and Committee meetings are based on papers circulated to members seven days before the meeting. In exceptional circumstances papers may be tabled at the meeting with the express, prior permission, of the Chair.

2. E.2. Papers for meetings:

The Board has adopted a Manual of Governance which includes appropriate style of agendas, reporting and minute taking.

2. E.2.1 The minutes of each Committee will be circulated with the agenda for the next Board meeting. The minutes of the previous meeting of the Board or Committee will be signed and authorised by the Chair of the meeting and be a true and correct record of the meeting. Each page of the approved minutes will be initialled. The signature of the Chair and the date will be added to the last page of the minutes.

2. E.2.2 Exclusions from any other business:

Late additions to the agenda will be notified by the Chair to the Trustees at the beginning of the meeting. Any item which requires the Association to make a financial commitment that has not been approved as part of its Business Plan or budgets will be added to an agenda after due and proper notice.

2. E.2.3 Matters raised by Trustees

Matters which Trustees wish to raise as agenda items must be notified to and agreed by the Chair in advance of the meeting. The Chair will then notify the Chief Executive at least seven working days prior to the meeting, where no supporting report is required from Management, or at least ten working days prior, if such a report is required.

2. E.2.4 Attendance at Committee meetings by non-members

Trustees who are not members of a particular Committee may attend meetings of that Committee, as observers, at the discretion of and with the prior approval of the Chair of that Committee. The Trustee will not be allowed to vote at the meeting and may speak on the business of the Committee only with the permission of Committee Chair.

Attendance at meetings of the Board and Committees by non -Trustees shall be at the discretion of the Chair of the Board or Committee as appropriate. Residents of the Association may attend any non-confidential meeting of the Board or its Committees. Members of the public may attend the Annual General Meeting of the Board. At the discretion of the Chair of the Board or Committee, non - Trustees may be provided with copies of the agenda and supporting papers.

2. E.3. Conduct of meetings

2. E.3.1 Meeting procedures:

In the absence of the Chair, the Deputy Chair will take the Chair. If both the Chair and the Deputy Chair are absent, the meeting will elect one of the Trustees as Chair for that meeting. The Chair will formally open the meeting at the time specified in the agenda. The meeting will be conducted in accordance with the agenda.

Where a decision is required, a show of hands will normally be requested by the Chair. A recorded vote will be taken only if requested by a Trustee. If there is a tied vote, the Chair may exercise a second casting vote. Decisions taken will be recorded in the minutes.

All decisions of the Board require a majority vote of the Trustees present.

2. E.3.2 Confidential items:

If, at any meeting, a matter arises regarding the appointment, promotion, dismissal, salary, superannuation, conditions of service or conduct of any Trustee or employee of the Association, such matter shall not be discussed, unless the person concerned is either not present at the meeting or has been excluded from the meeting. Private and confidential matters must be considered in the confidential part 2 of the meeting.

2. E.3.3 Meeting closure:

The Chair 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 recorded in the minutes.

2. E.4 **Conflict or declaration of interest at Board and Committee meetings**

If a conflict of interest or potential conflict of interest, whether pecuniary or non-pecuniary, arises during a meeting of the Board or of a Committee, the individual Trustee must declare that interest, either at the start of the meeting or before the matter is discussed.

The Trustee who declares the interest may not participate in the discussion or in the vote on the matter and will absent themselves for this item, whilst the matter is discussed.

Where a Trustee is absent, fails to declare a conflict of interest or fails to recognise a conflict of interest, it is the duty of any other Trustee, Chief Executive or manager present at the meeting, with knowledge of the conflict of interest, to report it to the meeting.

2. E.5 **Emergency or urgency protocols**

2. E.5.1 Urgent matters arising between meetings of the Board of Trustees:

If an urgent matter requiring a decision arises between meetings of the Board this may be dealt with by the Chair by way of Chair's Action, i.e. the Chair may make a decision after receiving a written report from the Chief Executive explaining the matter which requires a decision and why the decision cannot be deferred until the next meeting of the Board.

On receipt of a request for Chair's Action and the supporting report, the Chair may elect to call a special Board meeting to discuss the matter, if it is sufficiently important to require this course of action.

The Chair's Action and the written report from the Chief Executive must be submitted to the next meeting of the Board and approval for the Chair's Action sought.

2. E.5.2 Emergency matters

In an emergency (requiring a decision not covered by the delegated authority specified within this document), the Chief Executive, in consultation with the Chair of the Board, may take the necessary appropriate action. In the absence of the Chair, the Chief Executive should consult with the Chair of the appropriate Committee, if applicable, or with the Deputy Chair. Any such action must be the subject of a full report to the next

meeting of the Board, and approval for the action sought. If appropriate, the Chair or any four Trustees may call a special meeting of the Board at any time.

2. F. **Conduct of Trustees**

2. F.1 The Association has a Trustee Code of Conduct which all Trustees are required to sign.

2. G. Annual disclosure of interest

- 2. G.1 In accordance with the Trustee Code of Conduct, all Trustees must disclose annually to the Secretary of the Board any potential or actual conflicts of interest, criminal conviction or the use of contractors and partners contracted by the Association.
- 2. G.2 The Secretary to the Board shall maintain a Disclosure of Interests Register. The Register shall be open for inspection at the authorisation of the Chair or Secretary to the Board.

Where the personal conduct of a Trustees might be viewed as conflicting with their responsibilities they are required to disclose details to the Secretary to the Board, who will enter the details in the register.

2. H. Revisions to control framework documents

- 2. H.1 The Association's Charity Commission Scheme, Standing Orders, Financial Regulations and Manual of Governance are the key control documents. These will be periodically reviewed to ensure that they continue to conform to the spirit and intention of the guidelines laid down from time to time by the Homes and Communities Agency, all relevant statutory authorities, lending organisations and any other relevant bodies, including the National Housing Federation.
- 2. H.2 Amendments to existing documents will normally be initiated by a report from the Chief Executive to the Board or to the appropriate Committee. Following discussion at this level, the Committee may make recommendations to the Board or the Board may make a decision on the recommendations. Any approved changes will then be incorporated into the appropriate document.

2. I Board Reports

2. I.1 Performance reports

At each meeting, the Board will receive performance reports on the key areas of the Association's activities such as Housing Management, Development, Maintenance, Human Resources and Finance. Such reports must include explanations for variance against plans and budget and any risk implications.

2. I.2 Risk implications

All Board and Committee reports will set out the risk implications relating to the report.

2. J Risk management and internal control matters

- 2. J.1 The Board has ultimate responsibility for risk management together with internal control matters that protect the Associations' assets, minimise its liabilities, provide accurate and timely reporting and ensure the efficient and effective use of the Association's resources. The Board has delegated to the Audit and Risk Committee responsibility for ensuring that the control frameworks and their operation, together with risk management are satisfactory.

2. K. Regulatory matters

2. K.1 The Board will ensure compliance at all times with regulatory requirements and in particular will ensure that it has the necessary frameworks and processes for such purposes. In particular, the Board will ensure that the Association provides all information required by the regulator on a full, accurate and timely basis.

SECTION 3

Terms of Reference

3. A. Constitution and composition of the Board of Trustees

The Board must be effective in leading and controlling the Association and acting wholly in its best interests. Trustees must ensure that the interests of the Association are placed before any personal interests.

The role of the Board is to determine strategy, direct, control, scrutinise and evaluate the Association's affairs. Operational management is delegated to the Senior Management Team.

All Trustees share the same legal status and have equal responsibility for decisions which are taken that affect the success, or otherwise, of the Association. Each Trustee must act only in the interests of the Association and not on behalf of any constituency or interest group. Trustees must ensure that the interests of the Association are placed before any personal interests. This includes those Trustees who are nominated by or elected from specific groups, such as local authority nominees and residents.

3. A.1 Additional matters

3. A.1.1 Overall purpose of the Board

The Board will lead and control the organisation and act wholly in its best interest. The Board direct the affairs of PFH ensuring the day to day management is effectively delegated and carried out by the Chief Executive and staff.

3. A.1.2 Composition of the Board

The Board shall comprise 12 Trustees as follows:

- a) 2 nominated Trustees from Kingston upon Hull City Council
- b) 10 co-opted Trustees, of which 2 will be residents

The recruitment and retirement of Board Members is in accordance with the Charity Commission Scheme.

The Board may appoint a new Trustee to fill a vacancy on the Board at any time.

3. A.1.3 Quorum

The quorum for the Board will be five. No decisions will be made by the Board unless quorate.

3. A.1.4 Frequency of meetings

The Board of Trustees shall meet at least six times each calendar year, usually every two months and at other times as required.

The Annual General Meeting of the Board shall be held once a year, normally in July.

Any adjourned meeting shall be deemed to be a continuation of the original meeting.

3. B. Essential functions of the Board

The role and responsibilities of Board Trustees are outlined in the Manual of Governance and Role Descriptions.

3. B.1 Matters exclusively for Board attention

The following matters are not delegated by the Board:

- a) expansion of the Association's operations into new activities or geographic areas
- b) any decision to cease a material part of the Association's operations
- c) changes to corporate structure, including the setting up of subsidiaries
- d) changes to the structure, size and composition of the Board
- e) approval of Committee membership, including Committee Chairs and Committees' Terms of Reference
- f) appointment or removal of Trustees
- g) approval of key policies, including the Association's Code of Conduct
- h) changes to the schedule of matters reserved for Board decisions
- i) approving and monitoring major capital expenditure
- j) ensuring adequate succession planning for Board and senior management appointments
- k) any conflicts of interest arising from individual Board members

Delegations are listed in more detail in the Financial Regulations and Schedule of Non-Financial Delegations within the Manual of Governance.

3. B.2 Relationships with others

The Board has ultimate responsibility for ensuring that the Association develops positive and constructive relationships with key stakeholders including its funders and regulators. The Board must satisfy itself that effective communication and reporting lines are in place with these bodies.

3. C. Board induction and information

All Trustees will receive an induction on joining the Board and will be given the opportunity to regularly refresh and update their skills. The Board is supplied with timely information in a form and quality appropriate to enable it to discharge its duties.

3. D. Trustee recruitment, renewal, disqualification and review

Recruitment of co-opted Trustees is open and transparent, based on merit and on an objective selection and assessment techniques. The Association undertakes a formal and rigorous annual appraisal of Trustees and of the Board as a whole.

Trustee disqualification will be in accordance with the Charity Commission Scheme.

3. E. Responsibilities of the Chair

3. E.1 The Board must be led by a properly elected Chair who is aware of his or her duties as Chair of the Board and aware of the clear divisions of responsibilities between the Board and the Senior Management Team. The Chair and Deputy Chair have additional duties set out in their Role descriptions.

3. E.2 General conditions of scheme of delegation to Chair

3. E.2.1 Any decision taken under delegated authority shall be in accordance with policies approved by the Board. When expenditure is involved, such action shall be conditional upon the necessary financial provision being included in the Budget or a specific decision being taken by the Board to approve the expenditure even though not included in the budget.

3. E.2.2 Where a delegated authority is exercised, there will be a retrospective report to the next meeting of the Board.

3. E.3 Deputy Chair

The Deputy Chair will hold office from the date of appointment until the conclusion of the next annual general meeting of the Association.

A Deputy Chair will be elected at each annual general meeting.

The retiring Deputy Chair may be re-elected but an individual Trustee may not serve as Deputy Chair for a period exceeding four years in aggregate.

The Deputy Chair will provide appropriate aid and assistance, as necessary, to the Chair and Chief Executive. The Deputy Chair will deputise for the Chair as and when necessary and appropriate.

The Deputy Chair may be removed by resolution of the Board.

3. F. Conduct of the Board's Business

The Board must act effectively, making clear decisions based on timely and accurate reports.

3. G. The Chief Executive

The Board has clear working arrangements between the Board and the Chief Executive, together with clear levels of delegation.

3. G.1 Chief Executive's responsibilities

The essential duties of the Chief Executive are outlined in the role description. The Chief Executive is responsible for all matters which are not reserved to the Board.

3. G.2 Written contract of the Chief Executive

The Chief Executive is provided with a written and signed contract.

3. G.3 The Appraisal of the Chief Executive

The Governance and Remuneration Committee is responsible for the appraisal and remuneration of the Chief Executive and will make recommendations to the Board. The Chair of the Board is a member of this Committee.

3. H. Committees of the Board – General

Committees of the Board may be established where the Board determines that they will provide expertise and enable it to scrutinise and deliver effective corporate governance and manage risk.

The Chair of the Audit and Risk Committee must not also be the Chair of the Board.

Neither the Chair nor the Deputy Chair of the Board may be members of the Audit and Risk Committee.

Each Committee has clear Terms of Reference which have been approved by the Board and which are reviewed by the Board on a regular basis.

The membership of Committees is disclosed in the annual report of the Association.

3. I. Openness, transparency and accountability

The Board provides leadership by operating in an open and transparent manner and in having satisfactory dialogue with key stakeholders, including residents. The Board must demonstrate accountability to key stakeholders.

3. J. Diversity and inclusion

The Board demonstrates leadership and commitment to equality, diversity and inclusion as outlined in the Equality Act 2010 and current legislation.

The Board provides leadership and clear strategies on how the Association will meet the needs of diverse communities and the steps it will take, through lawful positive action, to ensure in so far as it is able, that it can reflect these communities in its staffing and governance structures.

The Board ensures that it demonstrates, throughout all of its functions, its commitment to the characteristics protected by the equalities legislation and develops action plans to implement this commitment.

3. K. Audit and risk

The Board has established a formal and transparent arrangement for considering how the organisation ensures financial viability, maintains a sound system of internal controls, manages strategic and operational risk and maintains an appropriate relationship with external auditors with the support of the Audit and Risk Committee.

3. L. Conduct and probity

The Board must maintain the highest standards of probity and conduct. Board Membership entails a particular responsibility to avoid any suggestion of impropriety. Matters such as conflicts of interest or acceptance of gifts or hospitality are particularly sensitive.

The Codes of Conduct for Trustees and staff aims to uphold high standards of probity and ethics. These Codes of Conduct may be made available for public inspection.

The Board will, from time to time, review:-

- a) The stated values of the Association and how they are implemented in practice,
- b) The Codes of Conduct for Trustees and staff,
- c) Compliance with the NHF Code (annually),
- d) Compliance with the regulatory standards (annually),
- e) The policies and procedures of the Association in relation to the receipt of hospitality, gifts, whistleblowing, and access to information.

The Board ensures proper arrangements are made for the referral and determination of individual cases raising issues of conflict, ethics or probity. These include a whistleblowing policy and an anti-bribery policy to allow the raising of issues of serious concern, without the fear of reprisal, whilst maintaining its duty of confidentiality.

SECTION 4

Delegated Responsibilities to the Committees of the Board

4. A.1 The Board may choose to delegate power to Committees. The Board has determined that there shall be four Committees. These are as follows:

- a) The Governance and Remuneration Committee (**Appendix A**),
- b) The Audit and Risk Committee (**Appendix B**),
- c) The Development and New Business Committee (**Appendix C**),
- d) The Resident Committee (**Appendix D**).

4. A.2 Each of these Committees has distinct Terms of Reference.

4. A.3 The election of Chairs in respect of each Committee will take place at the Annual General Meeting. Chairs of the Committees will be elected by a majority vote of Trustees. A Committee Chair must have been a Trustee for a minimum of one year. The Committee Chair will have a second or casting vote.

4. A.4 Additional information, together with the terms of reference of each of the Committees, is provided within the attached appendices.

SECTION 5

5. A. The Chief Executive and Senior Management Team – Overview of delegated responsibilities

5. A.1 The Chief Executive and Senior Management Team are the senior officers of the Association and have overall responsibility for all operational matters. Their roles can be summarised as follows:

- a) to ensure that the affairs of the Association are conducted in accordance with the policies of the Board

- b) to ensure that the various operational targets set by the Board are met
- c) to present to the Board and its Committees, sufficient information to enable the Board and its Committees to monitor the implementation of policy
- d) to identify the need for new policies or amendments to existing policies and to present proposals to the Board and its Committees

5. A.2 The Chief Executive and Senior Management Team have delegated authority to execute the Association's policies without further reference to the Board except for those operational matters specifically identified in these Standing Orders as requiring the specific approval of the Board, or Committee.

5. A.3 The Chief Executive and Senior Management Team may delegate specific financial and operational matters to other members of the Association's staff as they assess as being appropriate.

5. A.4 The Chief Executive's role in the customer appeals and complaints procedure is set out in the Association's Complaints Policy.

5. B General conditions for scheme of delegation to the Chief Executive and Senior Management Team

5. B.1 The Chief Executive may delegate an authority to senior managers and staff of the Association.

The Secretary to the Board will maintain a record of changes to delegated authority by the Board.

5. B.2 The Chief Executive or other specified staff member shall not exercise a delegated authority where this would result in a conflict of duties or personal interests.

5. C General Delegations to the Chief Executive and Senior Management Team

5. C.1 The Chief Executive and the Senior Management Team are authorised to undertake duties in accordance with the scheme of Delegations of Non - Financial Matters and the Financial Regulations in the Manual of Governance and agreed role descriptions.

SECTION 6

6. A. Appointment of the Chief Executive and Senior Management Team

6. A.1 Should a vacancy of the post of Chief Executive, or other members of the Senior Management Team arise, the following arrangement will be implemented:

- a) The Chair of the Board will be advised
- b) An Appointment Committee will be convened as soon as possible. The Appointment Committee will comprise the Chair, the Deputy Chair, and the Chair of the most appropriate Committee, advised by the most senior member

of the Senior Management Team. The Appointment Committee is granted delegated authority to progress the vacancy, to make an appointment of Chief Executive or other member of the Senior Management Team, and to act accordingly in the matter

- c) The Appointment Committee will advise the Board of Trustees of any appointment made

SECTION 7

7. A. Appointment of “Unpaid Advisors” to Committees

- 7. A.1 The Board may appoint a person as an unpaid advisor to any Committee for a period not exceeding one year. The Board may renew this appointment on one occasion only. At no time will there be more than two unpaid advisors in total. At no time will there be more than one unpaid advisor to any Committee.

The unpaid adviser will attend the part of the meeting which is relevant to their expertise and then leave the meeting.

The unpaid advisor may occasionally be invited to attend and speak at Board meetings on a specific item relating to their expertise but will not be able to vote on any matter. They will leave the meeting at the end of this item.

- 7. A.2 The unpaid advisor will provide advice and guidance to the Committee but will not have a vote and will not take part in any decision making process. Charity law treats an individual as a Trustee of a Charity if that Individual is involved in the control and management of the Charity (even though they are not given the title “Trustee” by the Charity).

- 7. A.3 The appointment is outside the appointment and renewal of membership of Trustees. The person is not a Trustee and will never have been a Trustee. The minutes will reflect the unpaid advisor “in attendance” and the Trustees present at the meeting will be listed separately.

- 7. A.4 On advertising for unpaid advisors, it will be made clear that the successful applicant will not be acting as a Trustee and is being invited to provide voluntary advice and guidance. The advertisement will reflect precisely the role envisaged which the expert will perform and record this in a written memorandum or note. This will be reviewed and may be amended from time to time.

- 7. A.5 The unpaid advisor will owe a duty of care to the Association. The Association could sue for any loss it incurs having relied on their advice. The unpaid advisor will be advised to carry the appropriate professional indemnity insurance and asked to provide a copy of their insurance policy from their organisation, annually. The Association may choose to contribute to this and other expenses (if agreed by the Board).

**APPENDICES TO THE STANDING ORDERS
Committee Terms of Reference**

- Appendix A - Governance and Remuneration Committee**
- Appendix B - Audit and Risk Committee**
- Appendix C - Development and New Business Committee**
- Appendix D – Resident Committee**

END

Pickering and Ferens Homes (“the Association”)

Committee Terms of Reference – Approved by the Board of Trustees

Name of Committee	Governance and Remuneration Committee
Overall Purpose	<p>The overall purpose of the Committee is to:</p> <p>Seek assurance in respect of the association’s obligations under the principles of good governance regarding;</p> <ul style="list-style-type: none"> • engaging stakeholders and partners to make accountability real • understanding the organisational purpose and outcomes for tenants • ensuring clearly defined functions and roles • demonstrating the values of good governance through behaviour • ensuring transparent decision making and managing risk • developing the capacity and capability of the Board to be effective <p>Oversee the arrangements for and make recommendations to the Board in relation to the Chief Executive’s appraisal and the remuneration packages of all members of Senior Management Team, including the Chief Executive.</p> <p>This committee is a Trustee committee and as such has no other delegated authority other than those specified in these Terms of Reference.</p>
Membership and appointment	<p>Membership of the Committee will comprise of up to five trustee members.</p> <p>The Chair of the Board of Trustees will form part of the Committee’s membership.</p> <p>The Chief Executive and the Governance and Executive Support Assistant will attend and service the meetings.</p>
Chairing	<p>The committee’s Chair is appointed each year at the association’s Annual General Meeting.</p> <p>Neither the Chair nor Deputy Chair of the Board of Trustees, due to the close working relationship with the Chief Executive, should chair the Committee.</p> <p>The Chair holds the casting vote should voting on any</p>

	decision be deemed necessary.
Frequency of meetings and quorum	<p>A minimum of 2 committee meetings will be held during the associations' governance calendar year. Meetings are most likely to be scheduled in September and February of each year.</p> <p>At least three trustees is necessary to achieve quorum</p> <p>Additional meetings will be convened as appropriate.</p>
Record of meetings	<p>Each meeting will be recorded by an appropriate member of PFH staff. Drafted minutes will be agreed with the Chair of Committee before submission to the next ordinary meeting of the Board of Trustees.</p> <p>Confidential agenda items and related minutes will be clearly marked as such.</p>
Reporting mechanism	<p>The Committee is responsible for ensuring minutes of its meetings are provided to the next ordinary board of Trustees meeting and that it makes recommendations related to its key function to the Board of Trustees for approval.</p> <p>Where required detailed reports will be produced on behalf of the committee for submission to the Board.</p> <p>No members of staff should be present when their own salary or that of colleagues is being considered by the Committee or the main Board. The Chair will determine which members of staff should support salary discussions based on the context and their particular role.</p>
Authorities and Duties	<p>Governance</p> <p>To ensure the delivery of the Association's annual governance timetable;</p> <p>To oversee continuous improvement in the effectiveness of the association's governance arrangements and activities;</p> <p>To oversee Board development and trustee recruitment and succession planning;</p> <p>To scrutinise and act as an assurance mechanism to the Board in ensuring compliance with the association's adopted/ required codes of governance.</p>

Chief Executive appraisal and SMT remuneration

To receive a report from the Chair of the Board of Trustees, following the annual appraisal of the Chief Executive;

To ensure that the appraisal of the performance of the Chief Executive has been undertaken on an annual basis, and to consider its outcomes;

To consider and determine the remuneration of the Chief Executive together with other members of the Senior Management Team

There will be full disclosure of the remuneration package of the Chief Executive including pension arrangements, periods of notice and compensation payable for loss of office within the annual audited accounts.

Any performance related elements of the remuneration package should be linked to the achievement of specific and measurable targets, which are reviewed annually).

To submit recommendations to the full Board of Trustees – concerning the proposed remuneration package for the Chief Executive and other members of the Senior Management Team.

Pickering and Ferens Homes (“the Association”)

Committee Terms of Reference – Approved by the Board of Trustees

Name of committee	Audit and Risk Committee (“The Committee”)
Overall purpose	To provide the Board of Trustees with assurance as to the effectiveness of the Association’s financial reporting, internal control and risk management, internal audit and external audit, and stress testing.
Membership and appointment	<p>Five Trustees, one of whom should preferably have relevant financial experience. The members of the Committee shall be elected annually by the Board of Trustees at its annual general meeting.</p> <p>Only members of the Committee shall have the right to attend meetings but other Trustees may attend meetings by invitation of the Chair of the Committee. With the permission of the Chair of the Committee such invitees may speak at meetings but may not vote.</p> <p>The Chair of the Board of Trustees may not be a member of or the Chair of the Committee.</p> <p>The Secretary to the Board shall be the secretary of the Committee.</p> <p>The Chief Executive, other members of the Senior Management Team, representatives of the internal and external auditors, or other persons shall attend meetings at the invitation of the Committee.</p>
Chairing	<p>The Chair of the Committee (“the Chair”), who must be a Trustee, shall be elected annually by the Board of Trustees at its annual general meeting.</p> <p>The Chair shall have a second or casting vote.</p>
Frequency of meetings and quorum	<p>The Committee shall meet not less than four times each year.</p> <p>There should be at least two meetings a year at which the Committee meets the internal and external auditors without management being present. The representatives of the internal and external auditors do not necessarily have to attend the same meetings.</p> <p>The external auditor or the internal auditor may request a meeting to be convened if they consider that one is necessary.</p> <p>The quorum for the Committee shall be three Trustees.</p>
Record of meetings	<p>The Secretary to the Board shall prepare written minutes of the proceedings of each meeting of the Committee which, when approved by the members of the Committee, shall be signed by the Chair as a correct record of those proceedings.</p> <p>The minutes of each meeting of the Committee shall be submitted for noting to the next meeting of the Board of Trustees.</p>

<p>Authority</p>	<p>Authority The Committee is authorised by the Board of Trustees to:</p> <ul style="list-style-type: none"> • investigate any activity within its terms of reference; • seek any information that it requires from any employee of the Association and all employees are directed to co-operate with any request made by the committee; and • obtain outside legal or independent professional advice, at the expense of the Association, and secure the attendance of outsiders with relevant experience and experience if it considers that this is necessary.
<p>Duties</p>	<p>Duties The duties of the Committee shall be:</p> <p><i>Financial reporting</i></p> <ul style="list-style-type: none"> • to review, and challenge where necessary, the actions and judgements of management, in relation to the Association's financial statements and related formal financial statements before submission to, and approval by, the Board of Trustees and before clearance by the external auditors. Particular attention should be paid to: <ul style="list-style-type: none"> - critical accounting policies and practices, and any changes in them; - decisions requiring a significant element of judgement; - the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed; - the clarity of disclosures; - significant adjustments resulting from the audit; - the going concern assumption; - compliance with accounting standards; and - compliance with regulatory and legal requirements. • to consider other topics, as defined by the Board of Trustees. <p><i>Internal control and risk management</i></p> <ul style="list-style-type: none"> • to review the Association's procedures for detecting fraud and for whistle blowing and to ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters; • to review reports by management and by the internal auditor on the effectiveness of the systems for internal financial control, financial reporting and risk management; • to monitor the integrity of the Association's internal financial controls; • to review the statement in the annual report and financial statements on the Association's internal controls and risk management framework; and • to assess the scope and effectiveness of the systems established by management to identify, assess, manage and

	<p>monitor financial and non-financial risks.</p> <p><i>(Note: the Board of Trustees retains responsibility for the review of the effectiveness of the system of internal control and must form its own opinion despite aspects of that review being delegated to the Committee.)</i></p> <p><i>Internal audit</i></p> <ul style="list-style-type: none"> • to review and agree the internal audit programme; • to ensure that the internal auditor has direct access to the Chair of the Board of Trustees and to the Audit and Risk Committee and is accountable to the Audit and Risk Committee; • to receive reports on the results of the internal auditor's work following each assignment and at least annually; • to review and monitor management's responsiveness to the internal auditor's findings and recommendations; • to monitor and assess the role and effectiveness of the internal audit function in the overall context of the Association's risk management system; and • to consider, and make recommendations on the appointment, reappointment and removal of the internal auditor. <p><i>External audit</i></p> <ul style="list-style-type: none"> • to oversee the Association's relations with the external auditor; • to consider, and make recommendations on the appointment, reappointment and removal of the external auditor; • to approve the terms of engagement and the remuneration to be paid to the internal auditor in respect of audit services provided; • to assess, on an annual basis, the qualification, expertise and resources, effectiveness and independence of the external auditor; steps to consider include: <ul style="list-style-type: none"> - seeking reassurance that the auditor and its staff have no family, financial, employment, investment or business relationship with the Association (other than in the normal course of business); - seeking from the auditor, on an annual basis, information about policies and processes for maintaining independence and monitoring compliance with relevant requirements, including current requirements regarding the rotation of audit partners and staff; - monitoring the external auditor's compliance with applicable ethical guidance relating to the rotation of audit partners, the level of fees that the Association pays in proportion to the overall fee income of the auditor, office and partner and other related regulatory requirements; and - monitoring the Association's policy on the employment
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	<p>of former employees of the external auditor;</p> <ul style="list-style-type: none"> • to discuss with the external auditor, before the audit commences, the nature and scope of the audit; • to review with the external auditor, the findings of its work, including, any major issues that arose during the course of the audit and have subsequently been resolved, and those issues that have been left unresolved; key accounting and audit judgements; levels of errors identified during the audit, obtaining explanations from management and, where necessary, the external auditor, as to why certain errors might remain unadjusted; • to review the audit letter of representation before consideration by the Board of Trustees, giving particular consideration to matters that relate to non-standard issues; • to assess, at the end of the audit cycle, the effectiveness of the audit process by: <ul style="list-style-type: none"> - reviewing whether the auditor has met the agreed audit plan and understanding the reasons for any changes, including changes in perceived audit risks and the work undertaken by the external auditor to address those risks; - consideration of the robustness and perceptiveness of the auditors in their handling of the key accounting and audit judgements identified and in responding to questions from the Committee, and in their commentary, where appropriate, on the systems of internal control; and - obtaining feedback about the conduct of the audit from key people involved; • to review and monitor the content of the external auditor's management letter in order to assess whether it is based on a good understanding of the Association's business and establish whether recommendations have been acted upon and, if not, the reasons why they have not been acted upon; • to develop and recommend to the Board of Trustees the Association's policy in relation to the provision of non-audit services by the auditor and to ensure that the provision of such services does not impair the external auditor's independence or objectivity; in doing so, the Committee should: <ul style="list-style-type: none"> - consider whether the skills and experience of the external auditor make it a suitable supplier of the non-audit services; - consider whether there are safeguards in place to ensure that there is no threat to objectivity and independence in the conduct of the audit resulting from the provision of such services by the external auditor; - consider the nature of the non-audit services, the related fee levels, and the fee levels individually and in aggregate relative to the audit fee; - consider the criteria that govern the compensation of the
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	<p>individuals performing the audit; and</p> <ul style="list-style-type: none"> - set and apply a formal policy specifying the types of non-audit work: from which the external auditors are excluded; for which the external auditor can be engaged without referral to the Committee; and for which a case-by-case decision is necessary. <p><i>Stress testing</i></p> <ul style="list-style-type: none"> • to monitor and review the Association’s detailed and robust stress testing against identified risks and combinations of risks across a range of scenarios and to ensure that appropriate mitigation strategies are put in place as a result. <p><i>(Note: the Board of Trustees retains responsibility for the review of the effectiveness of the system of stress testing and must form its own opinion despite aspects of that review being delegated to the Committee.)</i></p>
<p>Reporting</p>	<p>The Chair shall report to the Board of Trustees at each board meeting on how the Committee has discharged its duties and responsibilities and on any actions which the Committee recommends that the Board of Trustees should take on matters considered by the Committee.</p> <p>If a disagreement between the Committee and the Board of Trustees should occur, the Chair and the Chair of the Board of Trustees should make every effort to resolve the disagreement. If the disagreement cannot be resolved, the Committee shall have the right to draw the disagreement to the attention of stakeholders as part of the report of the Committee’s activities in the annual report.</p> <p>The Secretary to the Board shall circulate the minutes of meetings of the Committee to all Trustees and the Chair shall, at a minimum, attend the meeting of the Board of Trustees at which the Association’s annual financial statements are approved.</p> <p>The Committee shall annually review its terms of reference and its own effectiveness and recommend any necessary changes to the Board of Trustees.</p> <p>The Committee shall prepare a report on its purpose and duties and the actions it has taken to discharge those duties, for inclusion in the Association’s annual report and financial statements. Such report should specifically include:</p> <ul style="list-style-type: none"> • a summary of the overall purpose of the Committee; • the names and qualifications of all members of the Committee during the period; • the number of Committee meetings held during the period and the attendance record of each member of the Committee; and • the way in which the Committee has fulfilled its duties.

Appendix B

	<p>Where disagreements between the Committee and the Board of Trustees cannot be resolved, the Committee shall report such disagreement to the stakeholders as part of the report on its activities in the Association's annual report and financial statements.</p> <p>If the Board of Trustees does not accept the Committee's recommendations regarding the appointment, reappointment or removal of the external auditor, the Committee shall include in the Association's annual report and financial statements a statement explaining its recommendation and the reasons why the Board of Directors has taken a different view.</p> <p>The Chair shall attend the annual general meeting and shall answer questions, through the Chair of the Board of Trustees, on the Committee's activities and its duties.</p>
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Pickering and Ferens Homes

Committee Terms of Reference

Name of committee	Development and New Business Committee
Overall purpose	<p>The overall purpose of the committee is to ensure that the association is working in line with its business plan objectives in relation to growth and to ensure any new projects (revenue and capital) are being effectively appraised, managed, delivered and evaluated.</p> <p>The committee acts also as a sounding board for initial business growth ideas or new development schemes and can advise the senior management team accordingly.</p> <p>This committee is a Trustee committee and as such has limited authority and no other delegated authority other than those specified in these Terms of Reference.</p>
Membership and appointment	<p>Membership of the committee will comprise of up to six trustee members.</p> <p>Appointments to the committee will be determined at each year's annual general meeting.</p> <p>This committee may consider requests from the public to observe the meeting, though this may be referred to the Board, where the final reports will be considered for decision.</p>
Chairing	<p>The Chair of the committee, who must be a Trustee, shall be elected annually by the Board of Trustees at its annual general meeting.</p> <p>The Chair shall have a second or casting vote.</p>
Frequency of meetings and quorum	<p>A minimum of two committee meetings will be held during the association's governance calendar year.</p> <p>At least three trustees is necessary to achieve quorum</p> <p>Additional meetings will be convened as appropriate.</p>
Record of meetings	<p>The Secretary to the Board shall ensure written minutes of each meeting of the committee which, when approved by the members of the committee, shall be signed by the</p>

	<p>Chair as a correct record of those proceedings.</p> <p>The minutes of each meeting of the committee shall be submitted to the next meeting of the Board of Trustees.</p> <p>It should be noted that this committee will discuss business and commercially sensitive material and that confidentially safeguards should be respected.</p>
Authority	<p>The committee has limited delegated powers – it is principally an advisory committee to the Board.</p> <p>In line with the revised financial regulations agreed at the Board of Trustees on 18 May 2015 it has delegated decision making authority linked to tender evaluation and award of contracts over the value of £150k and under £500k subject to their prior inclusion within the association’s financial plan.</p>
Duties	<p>The duties of the committee shall be:</p> <ul style="list-style-type: none"> • Recommend the Development Strategy and policies in relation to all development activity undertaken; • Recommend the Health and Wellbeing Strategy and policies in relation to all related new business activity undertaken; • Evaluate proposals for new business initiatives agreed in the PFH Business Plan or aforementioned strategy; • Evaluate individual schemes (capital and revenue) in line with the agreed strategy and policies; and financial delegations; • Monitor the performance of the development function in relation to programme delivery, including budget, grant conditions, scheme quality and timeliness; • Recommend the appointment of contractors/ constructors/ consultants in accordance with the association’s financial rules and procurement policy and procedures; • Monitor compliance with the appropriate codes of practice, regulation, audit and inspection, as it relates to the purpose of this committee so as to

	<p>provide further assurance to the Audit and Risk Committee;</p> <ul style="list-style-type: none"> • Ensure that project risks are identified at every stage of new and existing major projects, and that they are being managed effectively; • Recommend arrangements for entering into partnerships with other organisations including commissioned projects, joint ventures, enterprises and other special purpose vehicles to the Board; • Ensure the maintenance of an effective contracts register and receive reports on contracts delegated for officer decision; • Alongside resident representatives, participate in the evaluation and award of contracts. (please refer to the delegated authority section above).
<p>Reporting</p>	<p>Following each committee meeting the Chair shall report to the Board of Trustees at the relevant board meeting on how the Committee has discharged its duties and responsibilities and on any actions which the Committee recommends that the Board of Trustees should take on matters considered by the Committee.</p> <p>The Chair shall attend the annual general meeting and report on the Committee’s activities and its duties.</p>

Appendix D

Pickering and Ferens Homes

Committee Terms of Reference

Name of committee	Residents Committee
Overall purpose	<ul style="list-style-type: none"> • To ensure that resident involvement is progressed, continuously improved and decision making by residents continues to be developed. • To meet the requirements of the regulator in co-regulation, by involving and enabling residents to give local insight and advice to improve performance. • To receive reports and be consulted by the Chief Executive (and staff) and other Resident groups at Pickering and Ferens Homes. • To make recommendations to the Board of Trustees.
Membership and appointment	<p>Membership will comprise the Chair (or their representatives) of all appointed Residents Associations and Working Groups, recognised by Pickering and Ferens Homes.</p> <p>Other residents may attend meetings of the Resident Committee, provided they have advised the Chair in advance of the meeting. At the discretion of the Chair such members will be entitled to speak, but there will be no entitlement to vote.</p> <p>Membership includes all of the association's nominated Resident Trustees.</p>
Chairing	<p>The Committee will appoint a Chair annually – at the first ordinary meeting held following the Annual General Meeting.</p> <p>The Committee Chair will be a resident of Pickering and Ferens Homes.</p> <p>The Chair will have a second or casting vote.</p>
Frequency of meetings and quorum	The Committee will meet not less than 3 times per annum.
Record of meetings	The minutes of the Resident Committee will be submitted to the next meeting of the Board and will be presented by

	<p>the Chair of the Resident Committee.</p> <p>The Chair will have a vote at the Board.</p>
Authority	No Authority – advisory committee to the Board
Duties	<ul style="list-style-type: none"> • To review and monitor the progress of the Resident Involvement Strategy of Pickering and Ferens Homes. • To consider and to support the annual review of progress on resident involvement. • To support the annual review of consumer regulatory standards: <ul style="list-style-type: none"> ➢ Governance (and financial viability) Standard ➢ Value for Money Standard ➢ Rent Standard ➢ Tenant involvement and empowerment Standard ➢ Home Standard ➢ Tenancy Standard ➢ Neighbourhood and Community Standard • To engage in the review of the VFM progress of PFH as a stakeholder in the VFM annual self-assessment • To consider, support, engage and make suggestions for improvement in all areas of the Charity, including: <ul style="list-style-type: none"> ➢ Policy and Strategy formation ➢ The setting and monitoring standards of service ➢ Key performance indicators ➢ Setting targets, designing surveys and monitoring resident satisfaction ➢ Supporting the work of the Resident Scrutiny Panel and other involvement structures ➢ Monitoring the outcomes of complaints and lessons learnt ➢ The Annual Report to Residents ➢ Providing a view on Tenant Cashback and the Right to Manage • To consider the training needs of involved residents and to engage in the design of an annual training programme which will enable and promote a healthy debate with residents. • To consider reports on consultation methods with

	<p>residents and to make appropriate recommendations to the Board of Trustees.</p>
<p>Reporting</p>	<p>The Committee is responsible for ensuring minutes of its meetings are provided to the next ordinary board of Trustees meeting and that it makes recommendations related to its key duties to the Board of Trustees for approval.</p> <p>Where required detailed reports will be produced on behalf of the committee for submission to the Board.</p>